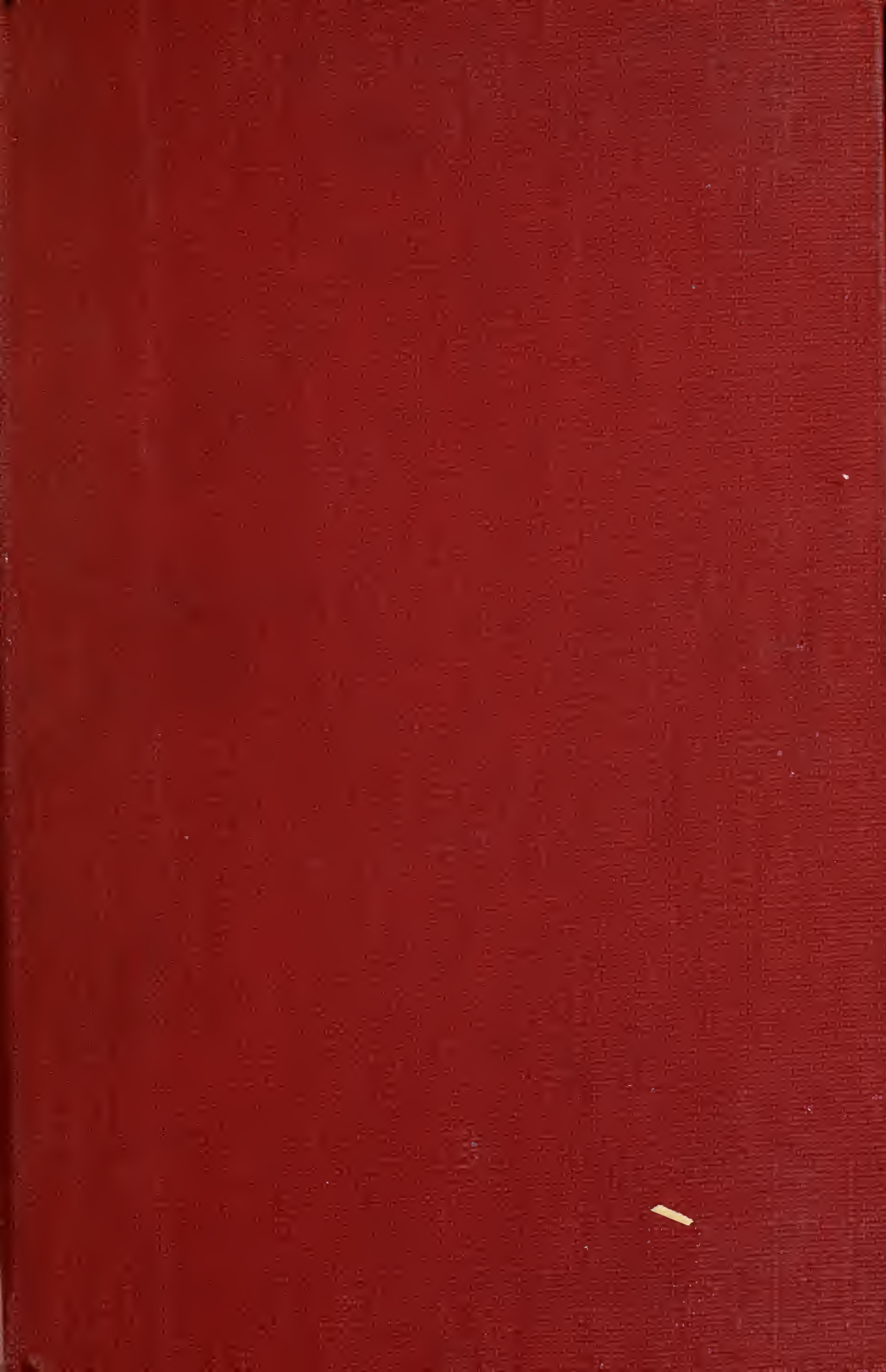


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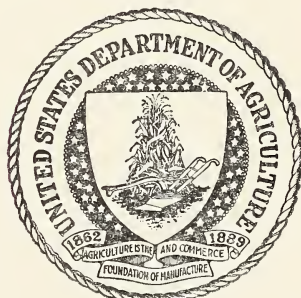
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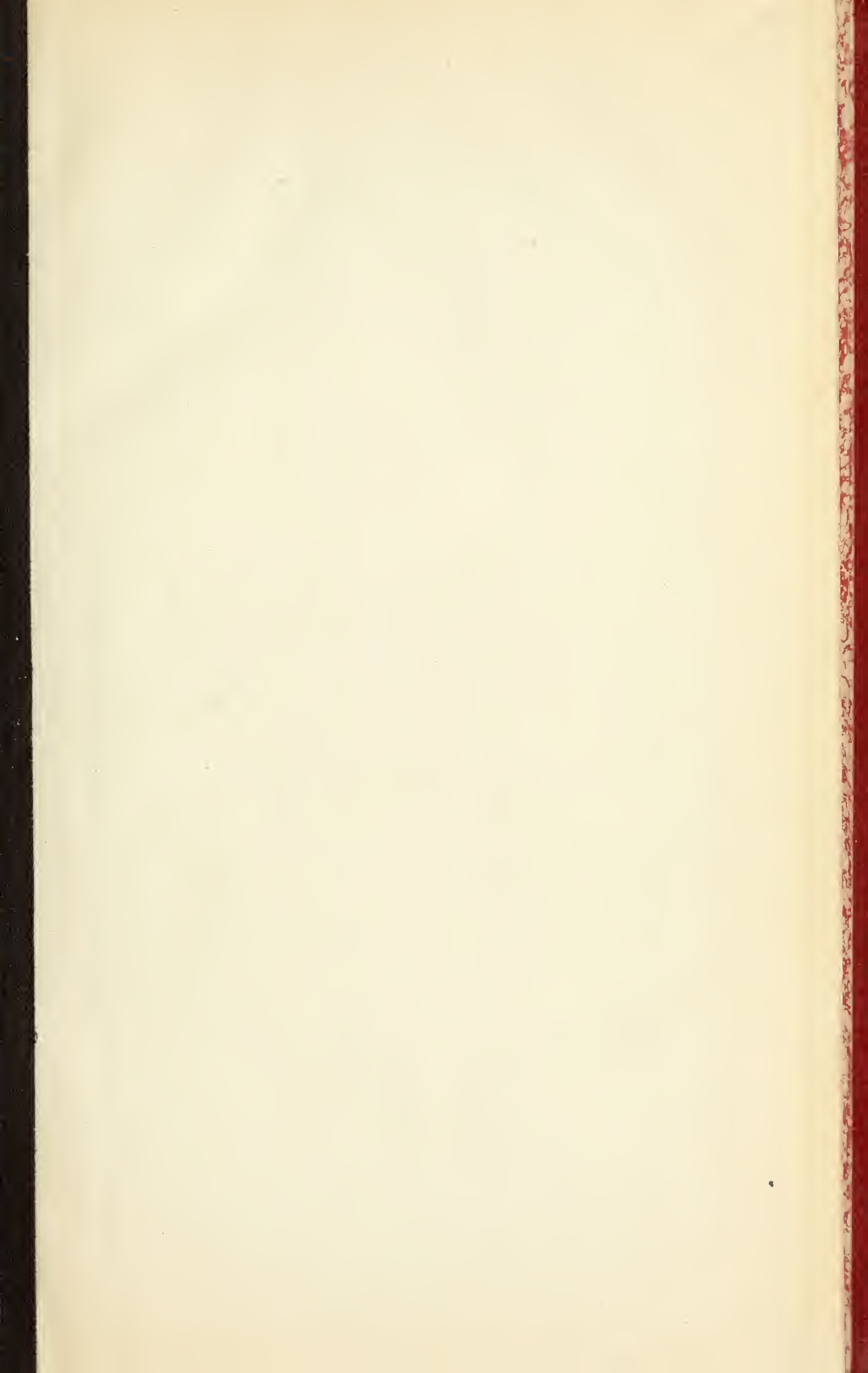
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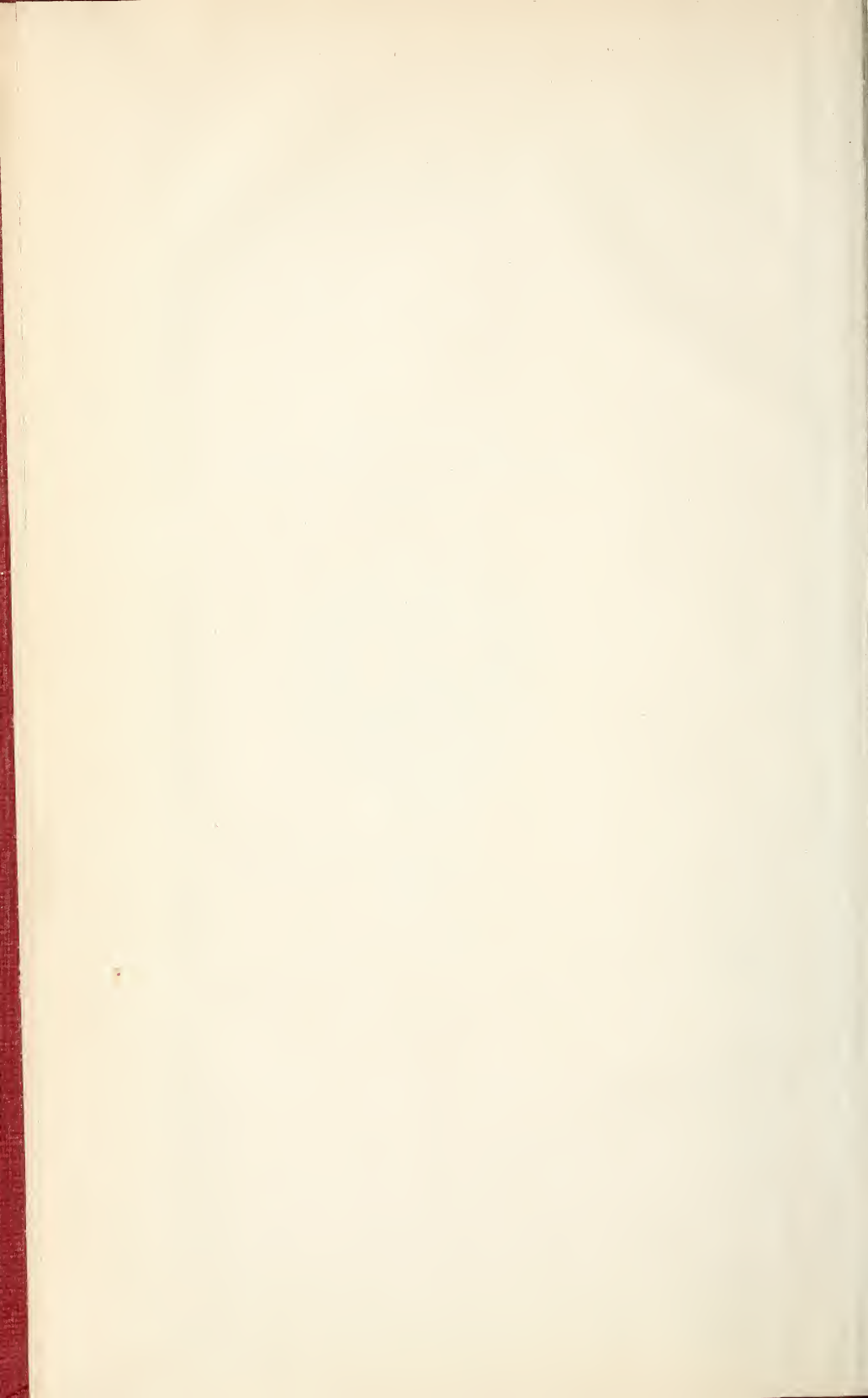
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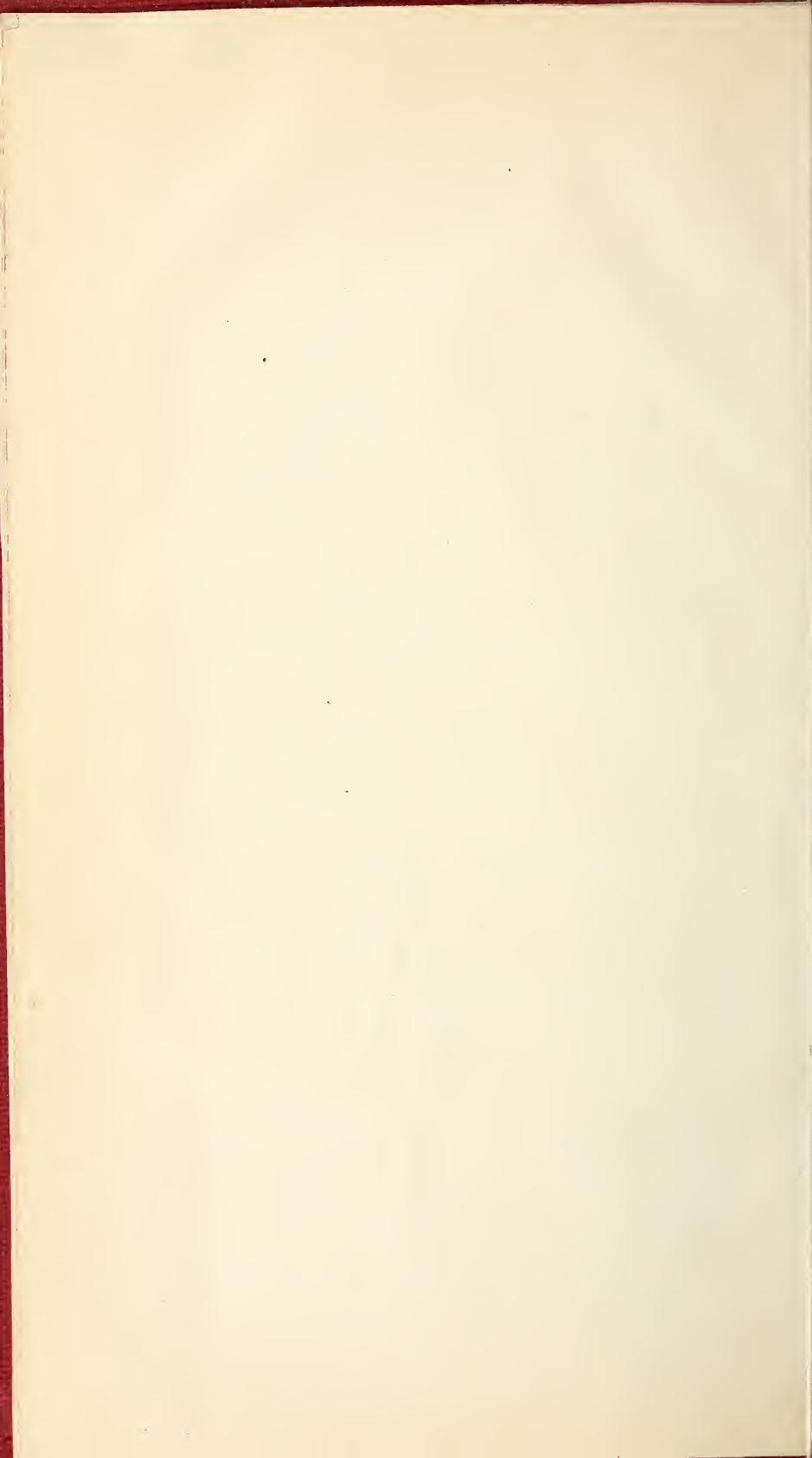
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# FOOD PRODUCTION ACT, 1919

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## HEARINGS

BEFORE THE

## COMMITTEE ON AGRICULTURE AND FORESTRY UNITED STATES SENATE

SIXTY-FIFTH CONGRESS

SECOND SESSION

ON

## H. R. 11945

AN ACT TO ENABLE THE SECRETARY OF AGRICULTURE TO  
CARRY OUT, DURING THE FISCAL YEAR ENDING JUNE 30,  
1919, THE PURPOSES OF THE ACT ENTITLED "AN ACT TO PRO-  
VIDE FURTHER FOR THE NATIONAL SECURITY AND DEFENSE  
BY STIMULATING AGRICULTURE AND FACILITATING THE  
DISTRIBUTION OF AGRICULTURAL PRODUCTS"

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Printed for the use of the Committee on Agriculture and Forestry



WASHINGTON  
GOVERNMENT PRINTING OFFICE  
1918



## COMMITTEE ON AGRICULTURE AND FORESTRY.

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## FOOD PRODUCTION ACT, 1919.

THURSDAY, JUNE 13, 1918.

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY,  
Washington, D. C.

The committee met, pursuant to call of the acting chairman, at 10 o'clock a. m., in room 326, Senate Office Building, Senator Ellison D. Smith, of South Carolina, presiding.

Present: Senators Smith of South Carolina (acting chairman), Smith of Georgia, Sheppard, Ransdell, Page, Gronna, Norris, Kenyon, and France.

The committee proceeded to consider bill (H. R. 11945), which is as follows:

AN ACT To enable the Secretary of Agriculture to carry out, during the fiscal year ending June thirtieth, nineteen hundred and nineteen, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That to enable the Secretary of Agriculture to carry out, during the fiscal year ending June thirtieth, nineteen hundred and nineteen, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products," approved August tenth, nineteen hundred and seventeen (Fortieth Statutes, page two hundred and seventy-three), there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the following sums for the purposes indicated: *Provided,* That no part of the money hereby appropriated shall be used in paying salary or expenses of any man who on account of employment in which he is or may be engaged under the provisions of this act has been or shall hereafter be certified by the Secretary of Agriculture, or by any other official of the Department of Agriculture, for deferred classification, or by action of any other Federal official or authority has been or may hereafter be placed in a deferred class under act numbered twelve, Sixty-fifth Congress, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May eighteenth, nineteen hundred and seventeen, or under any act amendatory thereof that has been or shall hereafter be enacted:

First. For the prevention, control, and eradication of the diseases and pests of live stock; the enlargement of live-stock production, and the conservation and utilization of meat, poultry, dairy, and other animal products; for the following stated purposes and in amounts as follows: Eradication of cattle ticks, \$61,610; eradication of hog cholera, \$202,965; eradication of abortion, influenza, strangles, and so forth, \$175,000; production of beef cattle, \$105,000; live-stock production in the Great Plains region, \$100,000; production of pork, \$150,000; production of poultry, \$129,600; production of sheep, \$60,000; making cottage cheese on the farm, \$52,950; utilization of creamery by-products, \$21,850: in all, \$1,058,975.

Second. For procuring, storing, and furnishing seeds, as authorized by section three of the act, the appropriations for said purposes of \$2,500,000 in section eight of the act and \$4,000,000 under the heading "Department of Agriculture" in the act approved March twenty-eighth, nineteen hundred and eighteen, entitled "An act making appropriations to supply urgent deficiencies in

appropriations for the fiscal year ending June thirtieth, nineteen hundred and eighteen, and prior fiscal years, on account of war expenses, and for other purposes," shall be available until the date when said act of August tenth, nineteen hundred and seventeen, shall cease to be in effect, and any moneys heretofore or hereafter received by the United States for furnishing such seeds may be used as a revolving fund until said date.

Third. For the prevention, control, and eradication of insects and plant diseases injurious to agriculture, and the conservation and utilization of plant products; for the following stated purposes and in amounts as follows: Cereal-smut eradication, \$110,000; peanut conservation and utilization, \$15,000; control of cotton, truck, and forage-crop diseases, \$117,550; farm storage of sweet potatoes, \$30,000; location of Irish-potato seed stock, \$30,000; plant-disease survey, \$23,000; castor-bean production and utilization, \$20,000; maintenance of field-bean seed supply, \$10,000; field supervision of war-garden work, \$7,500; production of cereals and grain sorghums, \$53,250; sugar-beet nematode work, \$10,000; pathological inspection of fruits during processes of marketing, \$18,000; control of a new sugar-cane disease, \$20,000; production of rice, \$5,000; control of cereal and forage insects, \$55,000; control of stored-product insects, \$22,000; control of vegetable and truck-crop insects, \$35,000; control of sweet-potato weevil, \$30,000; control of deciduous-fruit insects, \$45,000; control of citrus-fruit insects, \$10,000; control of insects injurious to live stock, \$20,000; control of rice insects, \$3,000; control of sugar-cane insects, \$9,000; general supervision of emergency insect-control work, \$3,000; prevention of plant-dust explosions and fires, \$75,000; fruit and vegetable utilization, \$35,000; in all, \$811,300.

Fourth. For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others; for the following stated purposes and in amounts as follows: General administration of extension work, \$35,000; home-economics work, \$25,000; extension work in the Northern and Western States, \$134,200; county-agent work, \$1,893,000; boys' and girls' club work, \$382,900; home-demonstration work, \$1,327,400; extension work in the Southern States, \$90,000; county-agent work, \$1,333,815; boys' club work, \$75,300; home-demonstration work, \$803,385; in all, 6,100,000. No part of this appropriation shall be available for any purpose unless there shall have been previously issued the proclamation authorized by section fifteen of the Act of August tenth, nineteen hundred and seventeen, entitled "An Act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products," such proclamation being the prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes.

Fifth. For gathering authoritative information in connection with the demand for, and the production, supply, distribution, and utilization of food, and otherwise carrying out the purposes of section two of the act; extending and enlarging the market news service; and preventing waste of food in storage, in transit, or held for sale; advice concerning the market movement or distribution of perishable products; for enabling the Secretary of Agriculture to inspect and certify perishable agricultural products, as provided in the Agricultural appropriation act for the fiscal year nineteen hundred and nineteen; for the following stated purposes and in amounts as follows: Market news service on fruits and vegetables, \$500,000; market news service on live stock and meats, \$300,000; market news service on butter, cheese, eggs, and poultry, \$164,000; market news service on grain, hay, feeds, and seeds, \$180,720; food and fertilizer surveys of the United States, \$449,700; conservation and food products in transportation and storage, \$229,937; market inspection of perishable foods; \$51,000; city market service, \$66,131; direct market activities, 85,100; special market activities, \$109,440; in all, \$2,136,028: *Provided*, That \$5,000 thereof shall be used to establish a market news service on live stock and meats in the District of Columbia.

Sixth. For miscellaneous items, including the salaries of assistant secretaries appointed under the act approved August tenth, nineteen hundred and seventeen; special work in crop estimating; aiding agencies in the various States in supplying farm labor; enlarging the informational work of the Department of Agriculture; and printing and distributing emergency leaflets, posters, and other publications requiring quick issue or large editions; for the following stated purposes and in amounts as follows: Office of the Secretary, \$76,420; publication and informational work, \$235,000; agricultural exhibits, \$43,020;

rent in the District of Columbia, \$25,000; assistance in supplying farm labor, \$162,000; poultry and egg demonstrations, \$40,000; sirup demonstrations, \$7,000; preparation of sweet sirups, \$5,000; handling, transportation, and storage of fish, \$20,000; waterproofing leather for Government and farm use, \$3,000; serviceability tests of leather and leather substitutes, \$6,000; utilization of wool-scouring wastes, \$9,000; extension work in beekeeping, \$15,000; control of noxious rodents, \$100,000; destruction of predatory animals, \$125,000; special work in crop estimating, \$234,540; in all, \$1,105,980: *Provided*, That the Secretary of Agriculture is authorized, for the official purposes of the Department of Agriculture, and within the limits of the appropriations for rent made by this or any other act making appropriations for the Department of Agriculture, to requisition the use of, and take possession of, any building or any space in any building, and the appurtenances thereof, in the District of Columbia, other than a dwelling house occupied as such or a building occupied by any other branch of the United States Government; and he shall ascertain and pay just compensation for such use. If the amount of compensation so ascertained be not satisfactory to the person entitled to receive the same, such person shall be paid seventy-five per centum of such amount and shall be entitled to sue the United States to recover such further sum as, added to said seventy-five per centum, will make up such amount as will be just compensation for such use in the manner provided by section twenty-four, paragraph twenty, and section one hundred and forty-five of the Judicial Code.

The ACTING CHAIRMAN. The subject before the committee this morning is the proviso on page 2 of the bill as it came from the House relating to the prohibition of the payment of any moneys to employees of the Department of Agriculture of draft age who may be certified for deferred classification.

Senator NORRIS. I suggest that the hearings begin by printing in the record the letter of the Secretary of Agriculture on the subject.

(The letter referred to is here printed in full, as follows:)

DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, May 25, 1918.

HON. ELLISON D. SMITH,  
*United States Senate.*

DEAR SENATOR SMITH: May I not call your attention to the bill (H. R. 11945) "to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled 'An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products,'" and ask that it be given early consideration? It is a very important piece of legislation, and I hope that your committee will be able to take it up in the near future.

The bill, as its title indicates, makes provision for the continuation, during the fiscal year 1919, of the activities authorized by the food-production act of August 10, 1917. This act made available an appropriation of \$11,346,400 for the emergency activities of the department, and, in addition, the urgent deficiency act of March 28, 1918, contained an item of \$4,000,000 for the purchase and sale of seed to farmers, making a total of \$15,346,400. The estimates for the regular work of the department for 1919, as you perhaps know, were submitted to the Treasury, as required by law, on October 15, 1917. These estimates were prepared without special reference to war conditions and it was thought best to make provision in them only for the regular work. It was decided to defer the submission of estimates for the emergency activities until later in the year, when the needs for 1919 could be more accurately determined. On March 8, therefore, I transmitted to the Congress as estimate of \$19,730,893 for the continuance of the emergency work.

The pending bill as reported by the House Committee on Agriculture carried an appropriation of \$11,712,283, and also contained a provision making available as a revolving fund during the period of the war the \$2,500,000 appropriated by the food-production act for the purchase and sale of seed to farmers, as well as the \$4,000,000 for the same purpose carried in the urgent deficiency act of March 28, 1918. This represented an increase of \$2,865,883 over the amount available during the present fiscal year. The bill as reported was



practically identical with section 8 of the food-production act, with the exception of the items relating to the purchase and sale of seed, the commandeering of buildings in the District of Columbia, and the mobilization and distribution of labor. Several changes, however, were made in the measure on the floor of the House and separate provision was made for all the lines of work contemplated under the various items. As passed by the House, the measure carries, including the \$6,500,000 for the purchase and sale of seed, \$17,712,283, an increase of \$2,365,883 over the amount available during the present fiscal year and a reduction of \$2,018,610 below the estimates and of \$500,000 below the bill as reported to the House. It should be borne in mind, in this connection, that the food-production act was not approved until August 10, 1917, a month and a half after the beginning of the fiscal year, and that considerable time necessarily elapsed in developing the requisite organization, in locating and securing competent men and women, and in getting the work authorized fully under way. This has been especially true in the Bureau of Markets and in the States Relations Service, which have experienced great difficulty in securing properly qualified assistants. In large measure, therefore, the additional amounts included in the bill under consideration are necessary to provide for the continuation during 1919 on a full-year basis of the work authorized by the food-production act, with such modifications as experience during the present year and existing conditions seem to warrant.

The pending bill is a war-emergency measure and supplements the appropriations made in the regular act. It merely makes provision for the continuation of work which was authorized by the Congress at its last session and which is now well under way. It is designed to enable the department to deal effectively and quickly with the many urgent agricultural problems which are constantly arising. It is impossible, of course, to forecast the situations requiring special and immediate action that may develop from time to time. The segregation of the items, as was done on the floor of the House, will make it exceedingly difficult to readjust operations during the course of the year so that these new situations can be dealt with promptly and effectively. I urgently recommend, therefore, that the bill be restored to the form in which it was reported by the House committee. If this can not be done, I hope that your committee will include a provision authorizing the transfer of not to exceed 20 per cent of the funds from one item to another, in order that the department may have some degree of latitude in the handling of the appropriations. I suggest, for the consideration of the committee, the insertion of the following language at the end of the bill:

"Such part, not exceeding 20 per cent of the amount appropriated for any of the foregoing items, embraced in any particular group numbered first to seventh, inclusive (or first to sixth, if the labor provision is not restored), as the Secretary of Agriculture may find not to be required for carrying out the purposes of such item, may, by his order, from time to time, be transferred to and used for the purposes of any other such items in the same group as the Secretary of Agriculture may deem necessary."

Attention is called to the fact that a similar provision, authorizing the transfer from one item to another of 10 per cent of the funds carried in the various subappropriations, has been included in the regular agricultural-appropriation act for a number of years. This provision was originally inserted, to make it possible for the department to meet unusual emergencies that may arise during the course of the year. It is very essential that the department have even greater, or at least similar, latitude in connection with emergency appropriations.

The following provision was inserted in the bill on the floor of the House:

"*Provided*, That no part of the money hereby appropriated shall be used in paying salary or expenses of any man who, on account of employment in which he is or may be engaged under the provisions of this act, has been or shall hereafter be certified by the Secretary of Agriculture or by any other official of the Department of Agriculture for deferred classification, or by action of any other Federal official or authority has been or may hereafter be placed in a deferred class under act No. 12, Sixty-fifth Congress, entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, or under any act amendatory thereof that has been or shall hereafter be enacted."

This provision, if it remains in the bill, will make it exceedingly difficult for the department to carry out its program to secure the increased production of

foods, feedstuffs, and live stock, and also to maintain the activities authorized by the food-production act, the continuation of which is provided for in the pending bill. Furthermore, it will seriously interfere with the investigations and activities which the department is conducting at the request of the military and naval authorities, the Shipping Board, and other branches of the Government. The following lines of work, in particular, will be seriously disorganized or greatly disturbed:

(a) The cooperative agricultural extension work, for the expansion of which an appropriation of \$4,348,400 was provided in the food-production act.

It has been exceedingly difficult to secure competent men for this work, and it has been practically impossible to secure large numbers of men of the requisite training who are not within the draft age. The county agents appointed under the act usually are men who were brought up on farms, who have supplemented this experience with special training, usually in the agricultural colleges, and who have been returned to their farms and successfully operated them. If they had remained on the farms, they would have been entitled under the regulations to deferred classification as skilled farm laborers, as managers or assistant or associate managers of necessary agricultural enterprises, or as heads of necessary agricultural enterprises.

(b) The work of the department looking to the eradication of the cattle tick, hog cholera, contagious abortion, tuberculosis, and other destructive animal diseases.

The importance of this work can not be overestimated. Large numbers of veterinarians have been taken into the Army, and it is becoming increasingly difficult to secure qualified veterinarians of any age for the conduct of this important branch of work of the department. The War Department has established a veterinary reserve corps in order to insure a supply of veterinarians for the Army. Those who enlist in this corps are placed in class 5.

(c) The work of the Bureau of Entomology and Plant Industry looking to the control of injurious insects and destructive plant diseases.

The demands for assistance in these directions is so great that it is impossible for the department to comply with all of them. It is especially difficult to secure properly qualified entomologists and plant disease specialists.

(d) The work of the Bureau of Markets, including especially the operation of the nation-wide market news services.

It will be very difficult to maintain the work of the bureau on anything like its present basis if the provision is retained in the bill.

(e) The work, strictly of a war nature, which the Bureau of Chemistry is doing at the request of the War and Navy Departments, involving the examination of food supplies intended for the Army and Navy.

The supply of competent chemists is limited and great difficulty has been experienced in securing men to carry on this work.

(f) The work of the Bureau of Biological Survey looking to the control of noxious rodents and predatory animals.

These statements merely indicate the disturbing effect of the provision on a few of the important lines of work specifically authorized by the food-production act. Its consequence will be far-reaching and serious.

In this connection the committee's attention is called to the fact that the selective-service act authorizes the President to exclude or discharge from the selective draft "county and municipal officials; custom-house clerks; persons employed by the United States in the transmission of the mail; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate."

The selective service regulations, following this provision of the law, authorize the deferred classification of "custom-house clerks, persons employed by the United States in the transmission of the mail, artificers or workmen employed in an armory or arsenal of the United States, and persons employed in the service of the United States when it is found by the local board that such persons are necessary to the adequate and effective operation of the service in which they are engaged, and that they can not be replaced without substantial, material loss and detriment for the adequate and effective operation of such service.

It will be noted that the act and the regulations specifically authorize the exclusion or discharge from the draft of certain classes of employees, such as customhouse clerks, persons employed in the transmission of the mail, and

artificers or workmen employed in an armory or arsenal of the United States. The numbers in these classes are far greater than the number of all the employees of the department within the draft age.

The principle of the selective-service law is to insure the selection of men for the service which they are best qualified to render, and the local and district boards were created to determine, under certain guiding principles embodied in the selective-service regulations, whether registrants should be retained in their present occupations or should be drafted into the military service. The theory of the act and of the regulations is to place upon the local and district boards, composed of local civilians, the responsibility of deciding in what capacity registrants can render the most valuable service to the Nation. The provision in question, therefore, is contrary not only to the principle of the act but also to the policy of the President and of the War Department as embodied in regulations. In promulgating these regulations, the President said:

"We must make a complete inventory of the qualifications of all registrants in order to determine, as to each man not already selected for duty with the colors, the place in the military, industrial or agricultural ranks of the Nation in which his experience and training can best be made to serve the common good. This project involves an inquiry by the selection boards into the domestic, industrial, and educational qualifications of nearly 10,000,000 men."

I have personally considered every case in the department in which deferred classification has been recommended, although, under the regulations, representatives of the department in the field could have been authorized to act. The personal interests of the employee have not been considered and the employee has not been consulted in any case; my recommendation in every instance was based on a cold, official determination of whether or not the employee was necessary to the adequate and effective operation of the service in which he was engaged.

I have no authority to grant deferred classifications to anyone. I can merely make recommendations to the local and district boards in accordance with the regulations, and it is within the discretion of these boards to determine, in the light of all the facts presented, including my recommendation, whether the person involved is necessary to the adequate and effective operation of the service in which he is engaged. It is entirely within the authority of the board to refuse to take favorable action upon my recommendation and to order that the employee be placed in class 1 or in another class. Of course, no employees of the department are exempt from military service.

Deferred classification has been recommended only in cases of employees whose services were clearly necessary to the work of the department and whose qualifications, training and experience were such that it would be impossible to replace them without substantial material loss and detriment. In many cases, where it was not entirely clear to me that the employees concerned were, in fact, essential to the effective prosecution of the work upon which they were engaged, I disapproved the filing of the necessary affidavit, although the officials in charge of the work were convinced that the men were necessary within the meaning of the selective-service regulations. It should not be overlooked, in this connection, that a large number of the employees for whom deferred classification has been requested because they were necessary to the effective operation of the department were entitled to be deferred under the regulations and have been deferred, for other reasons, such as dependency, physical disability, and the like. I think the committee should know also that approximately 1,550 employees of the Department of Agriculture have entered the military service during the past year as officers, by enlistment, or through the draft, and that approximately 4,500 also have left the department to engage in private or commercial undertakings. Whenever an employee who has been deferred on account of his employment in the department leaves the service, the local board is promptly notified and his status is immediately changed.

Of course the Department of Agriculture is only one of the departments of the Government that have acted in the spirit of the law under the provisions of the selective-service regulations. The provision in question, therefore, discriminates against this department, as no such limitation has been placed upon other branches of the Government. If it remains in the bill it will be necessary to replace with inexperienced men a large number of experienced and trained men who are already in the employ of the department and who are rendering valuable service to the Nation, in many instances at a sacrifice to themselves. It will, to repeat, seriously disorganize and greatly disturb the



highly important and essential activities of the department for which provision is made in the pending measure and make it exceedingly difficult to carry out the purposes of the bill.

The following provision also was inserted in the bill on the floor of the House:

"No part of this appropriation shall be available for any purpose unless there shall have been previously issued the proclamation authorized by section fifteen of the act of August tenth, nineteen hundred and seventeen, entitled 'An act to provide further for the national security and defense by stimulating agriculture and facilitating the transportation of agricultural products,' such proclamation being the prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes."

I urgently recommend the elimination of this provision. It is entirely foreign to the purposes of the pending bill and has no relation to the item to which it is attached. This item, as you know, makes provision for the development of the cooperative agricultural extension work, which is conducted in close cooperation with the agricultural colleges in the various States.

Item No. 7, carrying an appropriation of \$500,000. "to enable the Secretary of Agriculture to provide for and secure the voluntary mobilization and distribution of farm labor for the production and harvesting of agricultural crops during the fiscal year nineteen hundred and nineteen." was eliminated on the floor of the House. This provision was not included in the original estimates of the department. You will perhaps recall that a bill (H. R. 7795) containing an appropriation of \$2,500,000 for this purpose was passed by the House on March 29, 1918, and is now pending in the Senate. As it did not seem likely that this bill would be acted upon in the near future, the House Committee on Agriculture decided to include an item of \$500,000 in the pending bill and to make the appropriation a revolving fund. After discussing the matter with the Secretary of Labor I advised the committee that I thought it very desirable to take this action. I hope very much that the provision will be restored. I am inclosing, for your information in this connection, a copy of my letter to Representative Sherley, dated May 8, which has been printed in the record.

In conclusion, I wish to emphasize the urgent importance of securing prompt action on the pending bill. While the general provisions of the food production act will continue in effect during the period of the war, the appropriations made by section 8, and also the item in the urgent deficiency act of March 28, 1918, are limited to June 30, 1918. Therefore the appointments of all members of the department who have been employed under these appropriations will expire on June 30, 1918. Unless these commissions are renewed prior to July 1 the work under way will be seriously disturbed; and the employees, having no definite assurance that appropriations will be made for the continuation during the next fiscal year of the work upon which they are engaged, will seek other employment. This would produce a very unfortunate situation in the midst of the crop season, when there should be no let-up in the department's production, marketing, and conservation activities.

Very truly, yours,

D. F. HOUSTON, *Secretary.*

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MEMORANDUM FOR SENATOR SMITH.

Regarding the following proviso inserted in the bill H. R. 11945.

"*Provided*, That no part of the money hereby appropriated shall be used in paying salary or expenses of any man who on account of employment in which he is or may be engaged under the provisions of this act has been or shall hereafter be certified by the Secretary of Agriculture, or by any other official of the Department of Agriculture, for deferred classification, or by action of any other Federal official or authority has been or may hereafter be placed in a deferred class under act numbered twelve, Sixty-fifth Congress, entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May eighteenth, nineteen hundred and seventeen, or under any act amendatory thereof that has been or shall hereafter be enacted."

(1) The draft act, so-called, is and was intended to be a selective-service act. It was the intention of Congress to make available as many men as

might be necessary directly for the Army, but, of course, to have due regard to the other essential services of the Nation so far as practicable.

(2) There were already in the Army and registered under this act approximately 10,000,000 men. There remained at the beginning of the current year, not called into the service, over 9,000,000 registrants. The Provost Marshal General, the urgency of the first draft being over, very properly decided to classify the registrants on a selective basis. The classes were to be arranged in such fashion that those whose services were highly desirable for essential industrial, agricultural, and governmental operations might be disturbed as little as possible.

(3) That the Nation should be in a position to increase its supply of foods, feedstuffs, and clothing and to grow stronger in agriculture while Europe, and especially the central powers, was being weakened needs no emphasis. The food situation in this country when the war broke out was not satisfactory. There had been a short wheat crop and a prospect of a second one, especially on account of winter killing. Other staple commodities were short. Public sentiment became somewhat hysterical. It was clear that increased demands for foodstuffs would be made upon this country by the allies and that we should do everything possible to meet not only our own national needs but also those of the allies and, so far as possible, of the neutrals.

(4) The Provost Marshal General and all others dealing with the matter recognized that necessary skilled labor and necessary farm labor should not be called out if it was possible to avoid it. It became clear that class 1 would contain 2,000,000 or more effectives. Since the classification was made further legislation has provided for calling into the service those who have reached the age of 21 since the selective-service act was passed. It is estimated that this will make available for the Army 700,000 or 800,000 more men annually. At the beginning of this year, it seemed unlikely that more than 800,000 additional men would be called into the military service during the current year. This was the number indicated some time ago by the Provost Marshal General. Later events indicated the possibility of a larger call.

(5) In view of all the circumstances, the following things were done—and done intelligently and properly—to see that the foundations of the Nation—that is, its food and feed requirements—should not be impaired:

(a) The Secretary of War requested Congress to give him authority to furlough farmers in the National Army in order that they might return to their farms for certain periods if military conditions permitted it. The Congress passed this measure.

(b) Skilled farm labor was given deferred classification, being placed in class 2.

(c) Assistant and associate managers of necessary agricultural enterprises were given deferred classification, being placed in class 3.

(d) Heads of necessary agricultural enterprises were given deferred classification, being placed in class 4.

(e) In order to prevent the possibility of failure of leaders in the agricultural field it was further provided that a reserve should be made from the first third of agricultural seniors in the agricultural colleges. Similar action had been already taken with reference to engineering students.

The Provost Marshal General did me the honor to consult me frequently in reference to these matters and our views were in accord, as were those of others vitally interested in agriculture. Thus the Nation showed its appreciation of the importance of its food supplies in this crisis and of the position of the farmer as a factor in the war.

(6) The Congress, appreciating the need of further provision to aid the farmers in improving their processes and in relieving them from the economic handicap of plant and animal disease, insect pests, and predatory animals, the wastes of distribution and marketing, and the like, enacted the emergency food production act, carrying an appropriation of \$11,346,400, and directed the Department of Agriculture to carry out the intentions of Congress in this respect. Congress also did other things which I need only hint at. It made available \$200,000,000 to facilitate the operations of the Federal Farm Loan Board because of the unusual demands on funds which otherwise might have been invested more freely in such bonds. Furthermore, it made available additional sums to enable the Department of Agriculture to make sure that adequate seed stocks would be available and distributed to farmers at the lowest possible cost for cash.



(7) Under the food production act, the department especially had to extend its efforts to aid the farmers particularly along these important lines:

(a) The cooperative agricultural extension work.

The work of the county agents is too well known to need extended explanation. In this emergency they have not only rendered all the usual services but have assisted the Government in a variety of exceptional ways, cooperating with the Treasury Department, the Red Cross, the Food Administration, and other governmental agencies. The men employed in this work as a rule have been brought up on farms, have supplemented this experience with other training, usually in agricultural colleges, and have returned to their farms and have successfully operated them.

(b) The eradication of the cattle tick and the follow-up live-stock movement.

(c) The control of hog cholera, tuberculosis, contagious abortion, and other destructive animal diseases.

(d) The control of predatory animals and noxious rodents.

(All this work had a very definite bearing on the increase of live stock, which was so essential.)

(e) A more extended attack on all sorts of cereal and other plant diseases and insect pests.

(f) Increased assistance to farmers through the Bureau of Markets. As we were calling upon the farmers to produce more food, it was obviously important that we should omit no feasible step to assist them in finding satisfactory markets for their products, and particularly for the perishables.

(g) Aiding in every possible way in conserving farm and range products for future use.

(h) The exercise of every effort to assist the farmers in securing adequate supplies of labor for planting, cultivating, and harvesting.

(8) The department also felt it to be of the first importance to see that the great activities in the national forests should be maintained efficiently, because of the large live-stock, lumber, and water-power interests involved, and also to extend its operations at the forest products laboratory to aid the military and naval authorities in developing hardening processes for materials for aeroplanes and especially to aid them in testing the strength of materials. The chemical work of the laboratory assumed very great importance. It was, furthermore, a matter of the greatest moment that the department's activities with reference to inspection of meat supplies, not only for the civilian population, but also for the greatly increased military forces, should be kept at the highest point of efficiency. The activities just mentioned, of course, were supported out of regular funds.

(9) The department, therefore, was in the position of having to increase its forces very considerably at the very moment when it was losing large numbers of its most effective and trained employees. Since the United States entered the war 1,537 members of the department have joined the military or naval forces and 4,511, including 958 women, have left the service to engage in other occupations. In all the department has lost the services of 6,048 regular employees during the past year. The Forest Service, for instance, has lost 729 men and 89 women, the Bureau of Animal Industry 1,312 men and 55 women, the Bureau of Markets 293 men and 47 women, the States Relations Service 867 men and 550 women, and other branches of the department, such as the Bureau of Chemistry, the Bureau of Plant Industry, and the Weather Bureau, have been heavily drawn upon.

(10) All these services required men of peculiar qualifications—some of them of very special technical qualifications. Individuals doing purely routine clerical work were not involved. Deferred classification was not requested for them. It became necessary, if the services authorized by Congress were to be rendered—services that existing law required—if food production was to be economically stimulated and the health of the Nation preserved, that deferred classification should be asked for a number of those already in the service; and it further became necessary to add to the forces a number of men within draft age.

There was not available the requisite number of properly trained men without taking some of draft age. In some cases men over draft age were not willing, or could not give up their own business, and in other cases they were not qualified for the work. Even with resort to men within draft age we have not yet been able to secure the requisite number of individuals, and we are constantly losing trained and experienced men.

(11) The largest number of deferred classifications was recommended in the following services:

- (a) Cooperative agricultural extension work.
- (b) Forestry.
- (c) Meat inspection and animal-disease control work.
- (d) Markets.

It was impossible not to carry on these activities. In passing on the cases I did not, as would have been permissible under the draft regulations, leave the matter to representatives of the department in the field or in the bureau, but I personally reviewed every case. In the agricultural extension work, in which we are cooperating with the land-grant colleges of the Nation, the recommendations were made in the first instance by the State officers, then examined by the Director of the States Relations Service here in the department, and finally submitted to me. My decision was not conclusive. The matter then had to be passed on by the local and district boards.

To say that all the State and Federal officers dealing with these matters, trying to have the tasks imposed upon them in this emergency by law efficiently discharged, and also that the local and district boards were negligent of the national interests and desired simply to provide soft places for slackers, is, to say the least, singularly unjust and offensive. It is also unjust and offensive to say that the hundreds of men who have given their services in these directions, many of them at no little sacrifice, are slackers and unpatriotic. It will not conduce to their state of mind or efficiency to have such an indictment stand, and it will make it difficult for the Nation to secure the requisite services. This is all the more true when we consider that these men have been merely placed in deferred classification under well-understood principles for what are really war services under an emergency war measure, and that whenever the situation requires it these men can be called into the military service.

(12) It will be observed, in examining the selective-service act, that the President was specifically authorized "to exclude or discharge" from the draft the following classes of employees: County and municipal officials, customhouse clerks, persons employed by the United States in the transmission of the mail, artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate. The numbers in the classes specifically mentioned are far greater than the number of all the employees of the department within draft age.

(13) The principle of the selective-service law is to insure the selection of men for the service which they are best qualified to render, and the local and district boards were created to determine, under certain guiding principles embodied in the selective-service regulations, whether the registrants should be retained in their present occupations or should be drafted into the military service. The theory of the act and of the regulations is to place upon the local and district boards, composed of local civilians, the responsibility of deciding in what capacity registrants can render the most valuable service to the Nation.

(14) In recommending deferred classification the personal interests of the employee have not been considered, and the employee has not been consulted in any case. My recommendation in every instance was based on a cold, official determination of whether or not the employee was necessary to the adequate and effective operation of the service in which he was engaged.

(15) Deferred classification has been recommended only in the cases of employees whose services were necessary to the adequate and effective operation of the service in which they were engaged and whose qualifications, training and experience were such that it would be impossible to replace them without substantial, material loss and detriment. In many cases where it was not entirely clear to me that the employees concerned were in fact essential I disapproved the filing of the necessary affidavit, although the officials in charge of the work were convinced that they were necessary within the meaning of the selective-service regulations. It should not be overlooked that a large number of employees for whom deferred classification has been requested because they were necessary for the effective operation of the department, were entitled to be deferred under the regulations, and have been deferred, for other reasons, such as dependency, physical disability, and the like.

(16) Of course, the Department of Agriculture is only one of the departments of the Government that have acted in the spirit of the law under the provisions of the selective-service regulations. The provision in question therefore discriminates against the Department of Agriculture, as no such limitation has been placed upon other departments of the Government. It is contrary not only to

the principle of the selective-service act, but also to the policy of the President and the War Department as embodied in the regulations. If it remains in the bill, it will be necessary to replace with inexperienced men a large number of experienced and trained men who were already in the employ of the department and who are rendering valuable service. It will seriously disorganize and greatly disturb the highly important and essential activities of the department for which provision is made in the pending bill and will make it exceedingly difficult to carry out the purposes of the measure.

(17) Nobody seems to have raised any objection to the proposal for deferred classification for skilled farm labor, for assistant or associate managers of necessary agricultural enterprises, or for the heads of necessary agricultural enterprises.

(18) It may be objected that by taking farmers with fine qualifications for leadership into the Government agricultural forces we are impairing the ability of the farmers as a whole to increase production. Of course, just the contrary is the case. The abstraction of the small number of men involved would mean relatively little, but the service these men are rendering in aiding the farmers in the directions indicated does mean a great deal to the Nation.

(19) To what extent the machinery created under the law has been responsible for the results it is difficult to say, but it is certainly true that the farmers, with the assistance rendered, in spite of all difficulties last year planted 23,000,000 acres more of the leading food crops than they did in 1916, produced record crops of most products, except wheat—the partial failure of which was in nowise due to them, since they planted a large acreage—and increased the number of all classes of live stock, as follows: Horses, 353,000, or 1.7 per cent; mules, 101,000, or 2.1 per cent; milch cows, 390,000, or 1.7 per cent; other cattle, 1,857,000, or 4.5 per cent; sheep, 1,284,000, or 2.7 per cent; and swine, 3,871,000, or 5.7 per cent.

D. F. HOUSTON.

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WAR DEPARTMENT,  
Washington, May 27, 1918.

MY DEAR MR. SECRETARY: I have noted in the newspapers some comment upon the deferred classifications said to have been made by the Department of Agriculture in the draft for military purposes. It occurs to me that the committee of Congress dealing with this subject may be interested to know the facts in the matter, and I am writing this letter in order that you may make any use of it which you see fit.

From the beginning of the mobilization of our Army on the Mexican border, nearly two years ago, the cooperation between the Department of Agriculture and the War Department has been intimate, helpful, and cordial. Through your Bureau of Meat Inspection we were able to protect the Army meat supply, and by the cooperation of other agencies of the Department of Agriculture a successful attempt was made to suppress insect pests, thereby contributing not only to the comfort but to the health of our soldiers.

From the beginning of the present mobilization the Department of Agriculture has placed at the disposal of the War Department without reserve its various resources, has aided us to secure foresters for overseas and United States service, and your personal cooperation with me in preparing draft regulations with a view to having the draft fall justly in the matter of agricultural labor has been most helpful. I do not stop to enumerate the various ways in which the Department of Agriculture has served the War Department and the Army. They were numerous, and every call upon the Department of Agriculture has been cheerfully and fully met.

In the matter of the deferred classification of employees at the Department of Agriculture, I am not aware of any instance in which a questionable classification has been made. By the direction of the President the indispensable employees of the Government in the several departments have been given deferred classification upon the recommendation of the head of the department. Th object of this direction from the President is obvious. It is necessary that the great departments of the Government should continue to operate, and that the expert and trained operatives upon whom their successful work depends should continue to render the greater service by remaining at their posts of civil employment. This is as true of the Department of Agriculture as of any other division of the Government, and the great food needs of the allies and ourselves can not be met unless the Department of Agriculture's work of stimulating greater production is successfully carried forward. Such deferred classifications as have been made at the request of the Department of Agriculture seem entirely justified, and the War Department cheerfully recognizes



the fact that the needs of the Army have been considered by you in such deferred classification requests and have met with your approval.

Cordially, yours,

Hon. D. F. HOUSTON,  
*Secretary of Agriculture.*

NEWTON D. BAKER,  
*Secretary of War.*

ARGUMENT SUMMARIZED—PRINCIPLE OF THE SELECTIVE DRAFT HAS BEEN FAITHFULLY SUSTAINED.

1. The law is a selective-service law.
2. It places upon the local and district boards the responsibility of determining whether a man shall be deferred or placed in class 1.
3. It specifically authorizes the President to exclude or discharge from the draft customhouse clerks, persons employed by the United States in the transmission of the mail, artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as he may designate.
4. The selective-service regulations authorize the heads of departments to recommend the deferred classification of employees "who are necessary to the adequate and effective operation of the service in which they are engaged and who could not be replaced without substantial material loss and detriment to the adequate and effective operation of the service."
5. The heads of departments can only make recommendations to the draft boards. Their recommendations are not conclusive. It is up to the draft boards to determine whether the employee should be deferred or placed in class 1.
6. It was necessary for the department, under the food production act, greatly to increase its forces at the very moment it was losing large numbers of its trained men.
7. The department has lost 6,048 regular employees since the United States entered the war, as follows: 5,090 men and 958 women.
8. One thousand five hundred and thirty-seven employees have entered the military service.
9. Four thousand five hundred and eleven employees, including 958 women, have left the service to engage in other occupations.
10. The Forest Service, for instance, has lost 729 men and 89 women; the Bureau of Animal Industry 1,312 men and 55 women; the Bureau of Markets 293 men and 47 women; the States Relations Service 867 men and 50 women; and other branches of the department, such as the Bureau of Chemistry, the Bureau of Plant Industry, and the Weather Bureau, have been heavily drawn upon.
11. It was essential that the national forest activities, the meat-inspection service, the technical work of the Bureau of Chemistry, the farm demonstration work, the activities of the Bureau of Markets, and all other important branches of the department, should be maintained at the highest point of efficiency and expanded in many directions.
12. All of these services required men of peculiar qualifications—some of them very special technical qualifications.
13. The largest number of deferred classifications was recommended in the following services:  
Cooperative agricultural-extension work.  
Forestry.  
Meat inspection and animal-disease-control work.  
Markets.
- It was impossible not to carry on these activities.
14. Under the selective-service regulations the Secretary could have left the matter to representatives in the field. He refused to do this, however, and passed on each case personally.
15. In the farm demonstration work, recommendations were made in the first instance by State officers, then examined by the States Relations Service, and finally submitted to the Secretary.
16. The personal interests of the employee were not considered, and the employee was not consulted in any case. Deferred classification was recommended only in cases where employees were clearly necessary to the adequate and effective operation of the service in which they were engaged.
17. Individuals doing purely routine clerical work were not involved. Deferred classification was not requested for them.
18. A large number of employees for whom deferred classification was recommended were entitled under the regulations to be deferred, and have been deferred for other reasons, such as dependency, physical disability, and the like.

Senator SMITH of South Carolina. Assistant Secretary Ousley is present. Yesterday, when we adjourned, we intended that this morning we would have Mr. Ousley give the facts, which were called into question by another branch of the Government, as to these deferred classifications.

Secretary Ousley, will you please give the committee your relation to the Department of Agriculture, and then state in your own way the facts as you know them in reference to this particular matter.

**STATEMENT OF HON. CLARENCE OUSLEY, ASSISTANT SECRETARY,  
UNITED STATES DEPARTMENT OF AGRICULTURE.**

Secretary OUSLEY. My official relation to the Department of Agriculture, Mr. Chairman, is as Assistant Secretary under the food-production act, which adds two assistant secretaries for the war. I am glad you invited me to make that statement, because I am here only for the period of the war; and, therefore, I feel that I am speaking not as a regular employee of the Government with any professional pride or official concern but as an observer happening to have a relation which gives me an opportunity to make very accurate observations.

I am sure that the Members of the House in adopting that amendment did not intend to do any injustice or to work any mischief, but they have done a very cruel injustice to many very worthy men, and they have started an influence which is already seriously interrupting the necessary work of the Department of Agriculture.

Senator PAGE. Who are the men to whom you refer when you say "many very worthy men"?

Secretary OUSLEY. Men in the service of the Department of Agriculture, who, under the reproach of this amendment, are quitting the service. I had information yesterday that in my State of Texas we have lost 15 county agents.

Senator NORRIS. Mr. Secretary, may I interrupt you there to make a suggestion? Would it not save some time if you would first tell what the facts are from your viewpoint—what you have done, and then take up the other questions?

Secretary OUSLEY. I just wanted to lay the predicate for the statement I am making, Senator.

Senator NORRIS. I did not want to interrupt your statement.

Secretary OUSLEY. Dr. Mohler has this morning information of the resignation of six of his meat inspectors.

Senator PAGE. I do not understand why those men have felt constrained to send in their resignations because of this amendment.

Senator KENYON. They have been branded as "slackers." Senator.

Secretary OUSLEY. Some of these men I personally begged to remain in the service at the beginning of the war, when they could have stepped into the training camps. Now they say they can not stand the reproach of being slackers. I simply wanted to make that statement in order to show the reason for my preliminary statements.

Before proceeding I wish to call your attention to a solemn pledge made by the President in his proclamation of April 17, 1917. After urging the farmers of the United States to increase production, he said:

The Government of the United States and the governments of the several States stand ready to cooperate. They will do everything possible to assist farmers in securing an adequate supply of seed, an adequate supply of laborers

when they are most needed at the harvest time, and the means of expediting shipments of fertilizers and farm machinery as well as the crops themselves when harvested.

The Department of Agriculture and its associates, the land-grant colleges, with the elaborate cooperative extension service which now has a trained man in nearly every agricultural county in the United States, is the only agency for rendering the service which the President has pledged. It is this service of assistance to farmers in order to maintain a well-balanced agriculture and to increase production in which the men in deferred classification are engaged, and the service can not be rendered efficiently without the trained men under consideration, for, as will appear later in the evidence to be presented to this committee, there is a lack of such trained men.

The outstanding fact, gentlemen, is that the Department of Agriculture, in the exercise of the responsibility placed upon it by the law of recommending men for deferred classification who are deemed necessary to the conduct of the department, originally recommended, out of 5,855 of draft age in the department, the deferred classification of 2,503. Of this number only 1,505, so far as figures are available, have actually been deferred on the department's recommendation. It has been impossible, in the short time at our disposal, to secure full data regarding the extension workers in four of the northern and western States. Three hundred and three of the 1,505 were also given deferred classification on other grounds, such as dependency, physical disability, and the like. One thousand two hundred and fifty-eight employees for whom no recommendation was made by the department were given deferred classification on other ground. The accompanying table gives the data by bureaus so far as they are available.

*Statement regarding deferred classification of employees of the Department of Agriculture, by bureaus, June 17, 1918.*

Bureau.	Number of men in bureau.	Number of men of draft age.	Deferred classification recommended and allowed and still in department's service.	Deferred classification recommended and allowed and also deferred for other reasons.	Deferred classification not recommended by department but deferred for other reasons.
Secretary.....	299	60	4	2	40
Solicitor.....	70	18	2	1	10
Farm Management.....	141	36	13	3	17
Weather Bureau.....	986	222	11	0	84
Animal Industry.....	4,942	979	219	31	271
Plant Industry.....	1,694	448	62	21	226
Forest Service.....	2,362	677	251	<sup>1</sup> 108	<sup>1</sup> 103
Chemistry.....	475	226	98	52	54
Soils.....	152	52	27	18	15
Entomology.....	432	225	83	18	32
Biological Survey.....	136	30	11	0	13
Accounts.....	35	16	1	1	9
Publications.....	97	12	0	0	11
Crop Estimates.....	119	32	9	2	12
Library.....	6	0	0	0	0
States Relations Service.....	4,132	2,164	<sup>1</sup> 590	<sup>1</sup> 14	<sup>1</sup> 117
Public Roads.....	345	86	1	0	15
Insecticide and Fungicide Board.....	40	16	7	9	9
Federal Horticultural Board.....	74	40	16	7	13
Markets.....	1,104	516	100	16	207
Total.....	17,641	5,855	<sup>1</sup> 1,505	<sup>1</sup> 303	<sup>1</sup> 1,258

<sup>1</sup> Incomplete.



Senator KENYON. You have 5,855 men of draft age in the whole Department of Agriculture?

Secretary OUSLEY. Yes; out of 17,641 men. Of that number 2,503 were originally recommended for deferred classification.

Senator NORRIS. Tell us just what you mean by "deferred classification."

Secretary OUSLEY. The selective-service regulations authorize the heads of departments to recommend the deferred classification of employees who are necessary to the adequate and effective operation of the service in which they are engaged and who can not be replaced without substantial material loss and detriment to the adequate and effective operation of the service.

One would infer from reading the discussions that these deferred classifications are made in the cases of employees within the District of Columbia. As a matter of fact, of the total number<sup>1</sup> for whom deferred classification has been requested only 219 are in the District of Columbia, and of these 205 have been deferred and are still in the service. All these employees, with the exception of 8 administrative assistants performing responsible executive work, are scientific or technical employees.

Eighty-six of those deferred on the recommendation of the department also have been given deferred classifications for others reasons. Three hundred and twenty-seven employees in the District of Columbia were deferred without recommendation from the department, on account of physical disabilities, dependency, or other reasons.

No man has been deferred or recommended for deferment except employees necessary to the work of the department, and no recommendation has been made for the deferment of any mere clerk. The deferments consist wholly of trained scientific or technical employees, including county agents and other extension workers, veterinarians, meat inspectors, chemists, experts in the various branches of agriculture, and eight administrative assistants.

Senator NORRIS. Have you asked in any case for complete exemption from service?

Secretary OUSLEY. No, sir.

Senator NORRIS. Then, it simply means, if your recommendations are followed, that they will only be put in deferred classes and eventually probably be taken into the service?

Secretary OUSLEY. If they are needed.

Senator NORRIS. I want to make this point. If there are those in the Agricultural Department who for any reason can do more good where they are now than they could in the service, why has not the Agricultural Department asked for their exemption entirely? If they are needed there, and if in a year from now, although put into deferred classes, they were taken into the service, it would bring it about eventually.

Secretary OUSLEY. The regulations do not now authorize the exemption of departmental employees. I presume the President, however, has the authority to exempt employees under the selective-service act.

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<sup>1</sup> Later information shows that only 191 employees in the District of Columbia have been deferred on the department's recommendation.

Senator SMITH of Georgia. The Secretary can ask for complete exemption if it becomes necessary?

Secretary OUSLEY. The general impression has been that men in deferred classifications will not be called, and until that necessity arises my understanding is that those exemptions can be made only by the President himself.

Senator NORRIS. The Secretary only recommends them, anyway?

Secretary OUSLEY. Yes; the district boards exempt or defer.

Senator SMITH of Georgia. The importance of this amendment is that it leaves them now under the general law and leaves to the President, if necessary, the right to preserve them still to the service. This amendment would prohibit them under any circumstances from remaining in the service.

Secretary OUSLEY. This amendment changes the law of the selective draft by taking it out of the discretion of the boards on recommendation of the heads of the departments.

Senator KENYON. Can you give us the section of the selective draft under which these deferred classifications are made?

Secretary OUSLEY. Section 4 of the act specifically authorized the President to exclude or discharge from the selective draft—

customhouse clerks, persons employed by the United States in the transmission of the mail; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate.

The selective-service regulations, as I have said, authorize the heads of departments to recommend the deferred classification of employees who are necessary to the adequate and effective operation of the service in which they are engaged, and who can not be replaced without substantial material loss and detriment to the adequate and effective operation of the service.

I might say, gentlemen, that I have personal knowledge that the Secretary, in the exercise of this discretion vested in him by the law and the regulations, has made personal investigation upon the records presented of every case in which deferred classification was requested by the bureau chiefs. He has not referred that matter to any department official, but has felt the individual responsibility of passing upon these cases, and he has declined to make such recommendation in a number of cases that were recommended by the State leaders and the bureau chiefs.

Senator NORRIS. To your knowledge, have there been any specific or concrete cases where a recommendation has been made without sufficient evidence to warrant it, or has there been any charge that that is the case or that any favoritism has been shown?

Secretary OUSLEY. There has been no such charge made to the department, and I have not heard of any complaint in any individual case.

Senator SMITH of Georgia. Is it not true that in many of the States careful attention to agricultural education has been a thing of recent date—

Secretary OUSLEY. Within the last 10 or 15 years, Senator.

Senator SMITH of Georgia. And that therefore you are more dependent upon men under 31 for your skilled scientific work than almost any other branch of the Government?



Secretary OUSLEY. That is true, Senator. And this also is true, even in the case of men of scientific training and ability for leadership in agriculture: When a man has passed 31 years, if he is worth having in the Department of Agriculture, he has either developed a business of his own or he is in demand by private employers and we can not get him. If having reached 31 years he has not developed a business of his own or has not found other employment, if he is scientifically trained, he is a failure and we do not want him.

So we are compelled in a very long degree to rely upon young men within the draft age; and it is the young men within the draft age that are serving the department and the colleges in all matters relating to agriculture. I am speaking now especially of the field forces. They are young men of farm rearing and farm experience who have acquired their scientific information in the colleges and have returned as scientific leaders.

Senator PAGE. You would confess, I presume, that the sentiment which would arise from the exemption of able-bodied men by the heads of departments would be adverse. The country at large believes that there should not be any exemptions, believes that every man that is able to go should do so, and they do not want men shielded by any department who are physically able to enter the service.

Secretary OUSLEY. I can not give you a categorical answer to that question, Senator, but will state the truth as I see it. Let me say, first of all, that employees of the department have not been exempted from military service; their call has been merely deferred under and in strict accordance with the regulations of the War Department. They were deferred not by the department, but by the local and district boards—the machinery which Congress itself set up to carry out the theory and purpose and principle of the selective-service act. The heads of the executive departments merely make recommendations to these boards and the boards have entire authority to place the employees in deferred classification or in class 1. There is a sentiment to which every honest man subscribes that no able-bodied man is to be excused or shielded. I do not think anybody feels that sentiment any more earnestly than I do or the Department of Agriculture does; but there is also a more intelligent feeling, as Senator Norris suggested here yesterday, that such a man as an expert chemist who is sorely needed in the laboratories should not be put to chopping wood or peeling potatoes in the kitchens of the armies when there is a direful lack of talent and training to do the necessary things of science and industry involved in this war.

This is not a war merely of men, Senator; this is a war of industry, transportation, and science, and we can not fight without scientific men to work out scientific problems.

Senator SMITH of Georgia. The chemist can do more for the boy in the trenches and at the front by working here in his laboratory than he could by standing at his side?

Secretary OUSLEY. Certainly.

Senator SMITH of Georgia. Your farm demonstrators can do more to help them than they could by going in the ranks and fighting with them?

Secretary OUSLEY. Yes.

Senator SMITH of Georgia. And you are wanting them kept here, not in their interest but in the interest of the whole country and of the men at the front?

Senator NORRIS. That is right.

Secretary OUSLEY. Allow me to say, Senator, that in many cases—I am speaking now from personal experience, because I was a director of extension in my State before I came here—I have had to plead with young men not to go into the Army and to accept deferred classification. Senator, it takes very much more courage for a high-spirited young man to stay at home and do these dull, prosaic things than it does to engage in the adventures of war. That is where the courage is required.

Senator PAGE. I confess all you say about that. I simply say there are compensations, there are balances, and one of those is the fact that there is a feeling in the country that nobody should be shielded, that nobody should be excused if he is able to go; and I do not know but that compensation may possibly outweigh the suggestion you make about placing these men in deferred classes. I simply raise the question for you to discuss.

Senator NORRIS. Before the secretary discusses that, I would like to say that I do not agree with Senator Page that the sentiment of the country is as he states it. I think there is a strong sentiment—and it is right, too—that no man should be shielded from doing his duty; but I believe the sentiment is, and it ought to be, that every man ought to be placed where he can do the most good for his country, regardless of his age. In addition to that, I want to ask you if it is not your understanding that it is the theory of the selective-draft law that that should be done? Otherwise the selective draft is a failure.

Secretary OUSLEY. You have stated it precisely, Senator, and I could not add anything to the statement as you make it. The amendment under consideration would, if enacted, break down the theory of the act.

Senator SMITH of Georgia. The highest duty of every man is to serve where he can do the most good, and there is no place where these expert chemists and farm demonstrators can serve better than in helping to produce the stuff that is necessary to the country in the war. If they are all fit for colonels they would not do as much good as where you have them.

Secretary OUSLEY. I would like to be permitted to make a statement to the committee as to what these farm demonstrators and experts have done.

Senator RANDELL. I would like to interject just there that we have a large number of scientists present here who can explain this matter very fully. I think the Senators should discuss it here as little as they can, and let these scientific gentlemen bring out the facts, so that we can have them in this record, and we can discuss the subject on the floor. If we can do that, gentlemen, I think we can get a better record. It is very interesting to have these discussions here, but I would rather hear what our scientific friends have to say.

Senator SMITH of Georgia. I suggest that Col. Ousley be requested to go ahead in his own way and discuss the subject.

Secretary OUSLEY. Now that these specific points have been developed so that we can get a general view of what is involved, I would like to remind the committee of some general facts that I think have an important bearing on this subject. As I said a while ago, this is a war not only of men and guns; it is a war of industry and commerce and transportation and science. Our vital primary industries may be divided into four general classes: Agriculture, mining, manufacture, and transportation.

Let me remind you, gentlemen, that in all those industries except agriculture there has been more or less of a breakdown, due to the extra strain of war. There has been no breakdown in agriculture. On the contrary, the agriculture of the United States in its efficiency and in the volume of its output has increased.

Now, gentlemen, that is not an accident. There are some six or seven million farmers in this country. If these farmers were left to their own individual initiative, aloof as they are from one another and from the common currents of national information in respect to all these large problems, we would have had a breakdown in agriculture. The man in the South, as Senator Ransdell and Senator Smith perfectly understand, would have plunged on cotton and the South would not have fed itself. You can assemble the leading spirits of transportation, of manufacture, and of mining and get before them the great problems of their industries in 24 hours. You can not do that with the farmers of the United States. It is not possible. Therefore, the activities that are reflected in these increased yields must have been influenced and directed by some intelligent agency. That agency is the Department of Agriculture and its associates in the agricultural colleges, through which now the department has a direct personal contact in nearly every agricultural county in the United States, and through these men and these experts the Government carries its message of the obligation that rests upon the agricultural industry to feed the world in this crisis.

Now, that personal contact is not extended to every farmer in the United States, but it is extended to the foremost farmers in every county, and through those foremost farmers, by their example, it is extended to every other farmer. So that we have the amazing record last year of an increased production of more than 1,000,000,000 bushels of the leading cereals, and this year we have the assurance, if the weather is not calamitous between now and the harvest and if we can get the labor (and we have, I think, every assurance that we will get the labor by utilizing men of farm experience in the towns and cities), we will have a still further increase of production. And we will have a balanced production, not a haphazard production that would give us more cotton and less wheat than we needed, or more corn and fewer hogs than would consume it. It is a thoroughly balanced agriculture, because we have increased agricultural production in every field, except in wheat, in which last year we lost by a costly winter-kill.

Senator FRANCE. Have you the figures there showing the percentages of increase by acres?

Secretary OUSLEY. I can give you the gains from the last crop report.



Senator FRANCE. How much was the acreage of winter wheat increased last year over the year before?

Secretary OUSLEY. Four per cent. I have forgotten the precise figures of acreage. It would have been 18 per cent but for the dry weather in Kansas, Nebraska, Oklahoma, and Texas.

Senator FRANCE. It should have been 100 per cent.

Secretary OUSLEY. Well, I do not think that the men who have made the most devoted study of this subject will agree with you in that respect.

Senator FRANCE. I am not reflecting on the Department of Agriculture, but I feel that we have not increased the acreage as we should.

Secretary OUSLEY. We have increased the spring-wheat acreage, Senator, 21.5 per cent. The department, after a very careful study of the subject, recommended an increase of 18 per cent of all wheat, and we would have got that on the winter wheat, as well as on the spring wheat, but for the circumstances I have mentioned. That would have yielded a billion bushels of wheat with normal conditions.

The present forecast is 931,000,000 bushels of wheat, which is 122,000,000 bushels more than the five-year average.

Senator SMITH of South Carolina. In 1915 we made something over a billion bushels, did we not?

Secretary OUSLEY. Yes, sir.

Senator SMITH of South Carolina. What was the acreage that year as compared with the acreage this last year?

Secretary OUSLEY. Dr. Taylor, can you give that?

Dr. TAYLOR. I have not the acreage in mind and do not have the figures here.

Senator SMITH of South Carolina. I just wanted to know the acreage of 1915 compared with the acreage of 1918.

Mr. BRAND. The great crop in that year was due to a large yield per acre, something over 18 bushels per acre, whereas the average yield is 14 bushels.

Secretary OUSLEY. The winter-wheat acreage this year, Senator, is greater than it ever was.

Senator SMITH of South Carolina. And the spring-wheat acreage is greater this year than it was in 1915?

Secretary OUSLEY. Yes, sir.

Senator NORRIS. Do you mean the acreage that was planted?

Secretary OUSLEY. The acreage that was planted.

Senator NORRIS. And to get the actual acreage you would have to deduct the amount of fall wheat that was plowed up?

Secretary OUSLEY. That is true.

Senator NORRIS. Have you any statistics on that?

Secretary OUSLEY. The acreage of all wheat this year is 28.2 per cent more than the acreage harvested last year, and the forecast of yield is 931,000,000 bushels, compared with 651,000,000 bushels last year.

Senator NORRIS. Is it not true that the farmer who put in wheat did not make as much money as he would have made on the same ground if he had put it into corn, barley, rye, or oats?

Secretary OUSLEY. No; I do not think you can affirm that as a broad statement, Senator. It might be true in certain cases. You go now into the effect of the frost on the corn crop. For instance, we

produced last year the largest corn crop, but we had early frosts that cut its feeding value down something like 40 per cent.

Senator NORRIS. What I mean is this: That the farmer who this year put in 50 acres of wheat, if he could have raised 50 acres of corn on that same ground, would have made more money. would he not?

Secretary OUSLEY. If his ground were suitable for corn.

Senator NORRIS. I am assuming that if it is not suitable for corn he could have put it into something else. For instance, he might have put it into rye and made more money?

Secretary OUSLEY. Very probably last year; yes, sir.

Senator NORRIS. Has not that come about because the Government has interfered with the law of supply and demand as to wheat and has not interfered with the law of supply and demand as to these other crops?

Secretary OUSLEY. Of course, we are getting off the range of this inquiry—

Senator SMITH of South Carolina. Here is the point I was attempting to bring out: My own opinion was to the effect that the wheat acreage this year was more than it was in 1915—

Senator KENYON. What has that got to do with this question of deferred classification?

Senator SMITH of South Carolina. If it had not been for the industry of these men throughout the wheat territory we would have had a less yield than we got.

Secretary OUSLEY. You are undoubtedly correct, Senator.

Senator NORRIS. I am perfectly willing that you eliminate the wheat question; but if you go into it, I insist on going into it along the lines that my question indicates. I am not going to leave the question and let the impression go out that no injustice has been done by the Government to the man who raises wheat.

Secretary OUSLEY. That is a legislative policy rather than a department policy.

Senator NORRIS. No: it is a department policy entirely. The President fixed the price of wheat on the advice of your experts, I suppose?

Senator SMITH of South Carolina. Senators, let me call your attention to this at this point: What we are here attempting to bring out is the justification of this deferred classification and what results have justified it.

Senator FRANCE. May I interject this right here? I want to bring out very clearly my reason for asking the question. I want to bring out the fact—which is a fact and which future evidence will show to be a fact, and tragic evidence at that—that, while the Department of Agriculture has, with all the assistance at its command, done splendid work and I do not criticize it, yet it has not done enough. It needs all the present force at its command and an additional force to do more work. A 4 per cent increase in the wheat acreage last fall was woefully inadequate. A 900,000,000 bushel wheat crop—and we can not, in my opinion, make 900,000,000 bushels of wheat—is a totally inadequate crop in view of the world conditions and in view of the fact that we have no reserves.

My purpose in asking the question was to emphasize the fact that not enough has been done, in spite of all the efforts the department has been putting forth, and that has a bearing on this case.

Secretary OUSLEY. A very great bearing; yes, sir.

Senator FRANCE. We must do all that we did last year and do more. We ought to have an increase next fall in the wheat acreage of at least 40 per cent.

Senator NORRIS. Senator, I concede that has a bearing, but you will have to concede, too, admitting that it does have a bearing, that the policy of the department in making it unprofitable to produce wheat as compared with other crops that can be produced by the same land in the same length of time and with the same expense, necessarily has had an effect in reducing the acreage and the production of wheat.

Senator FRANCE. Undoubtedly, Senator, the stimulus is not there. I wish to say in this connection that the Department of Agriculture, in my opinion, has done a wonderful work, handicapped as it has been by these other laws which, I think, have tended to impair production. But I asked the question to bring out that very fact, not in any spirit of controversy, because I agree with all the Assistant Secretary has said.

Senator SMITH of South Carolina. Proceed with your statement, Mr. Ousley.

Secretary OUSLEY. I was merely trying to make plain the points that the Senator has just brought out, that this accomplishment in the face of difficulties was not an accident. It was due to the leadership of the department and the aid that has been rendered by its experts and its field workers. Therefore, any impairment of that service such as now threatens will be a very serious handicap to the conduct of the war. It will not immediately appear, but it will appear in due time.

I think we have said enough about the general result in terms of large figures. I would like now to call the attention of the committee to just two cases of county-agent work. I take the liberty of referring to cases from my own State because I am more familiar with them, but what I have found in these two cases is true of South Carolina, Louisiana, Nebraska, and every other State in the Union as to what county agents are doing.

I have here a report of June 1 concerning the work of a county agent in Jasper County, Tex. I will not trouble to read it all to the committee, nor any part of it, but I will state that the facts here recited show that in the two years that this county has been under farm demonstration work it has been transformed from a county dependent upon others to a county wholly self-sustaining, and this is a report of the fact that the merchants in Jasper County have canceled their orders for all canned goods and are relying upon 11 community canners.

Senator GRONNA. What will be the increase in Texas in the grain crops—wheat, barley, and rye?

Secretary OUSLEY. We have a small grain crop because of the drought. We had to abandon a large part of our acreage on account of drought in Texas. I am speaking now of East Texas, which is not a wheat country, yet there is generous planting of wheat and rye in order that the farmers may be self-sustaining. In this county also (which, as I say, has become wholly self-sustaining, due entirely to the leadership of this man) the farmers put over a Red Cross drive



four times the amount requested and a liberty loan subscription far above their quota.

Senator GRONNA. I believe the farmers did that in every State.

Secretary OUSLEY. In every State, Senator; yes, sir.

Senator GRONNA. In my State—if you will pardon me—where we had two failures of crops, they subscribed 153 per cent the last time, and that was not due to any county agents, I will say with all respect to the department.

Secretary OUSLEY. It might not have been in that particular case, but I am speaking of this particular case where it was due to the county agent.

Senator GRONNA. Because the farmers just set aside one day throughout the whole State; the farmers were the leaders.

Senator RANDELL. Would you like to have that report made a part of your testimony?

Secretary OUSLEY. I would be glad to insert it in the record.

Senator GRONNA. I do not object, of course, to anything you have prepared, but I think we ought to follow the rules adopted in the Senate about these newspaper clippings.

Senator RANDELL. When we are taking testimony, of course we do not want to take the time to read those things.

Senator GRONNA. I do not want to object, but there are a lot of those matters that everybody can read.

Secretary OUSLEY. I think it might unnecessarily cumber the record, Senator.

Senator RANDELL. Very well; you can make a somewhat fuller abstract, if you wish, when you correct your notes.

Secretary OUSLEY. I have one other case here that I want to call to your attention. This is the case of Dallas County, Tex., the largest agricultural county in our State, and the records here show that last year, as the result of the campaign and the activities of the Department of Agriculture, through this man and his assistants, the acreage of food and feed crops in Dallas County was increased 20 per cent. The increase of corn yield under demonstration was 10 bushels per acre; of cotton, 500 pounds (seed cotton) per acre; barley, 10 bushels per acre; oats, 25 bushels per acre. Five hundred more farmers than before raised hogs; 600 hogs were treated for hog cholera; 2,000 cattle for tuberculosis and 3,000 for ticks; 126 dipping vats were built; 2,942 calls for help or information were made in person to the county agent and 854 by telephone; 339 meetings were held by groups of farmers, organized by the agent or his assistants, attended by 26,098 persons; 2,489 official letters were written; 6,659 circulars and bulletins were distributed; the agent and his assistants traveled 4,102 miles by rail and 21,974 miles by automobile within the county.

I shall not undertake to read all the recital here, because it would be entirely too long, but in the same county that year hog cholera was practically exterminated where its ravages had been very great. The cattle tick was exterminated, and a complete transformation was made in the farming of that county by the introduction of dairy cattle to make farming profitable on those high-price lands.

There is a county of 7,500 farmers. In that county they assessed the farmers, through the advice of the county agents, a certain

amount per bale of cotton and per bushel of wheat and per bushel of corn for their liberty loan, and the farmers more than put it over.

The pig-club service in that county, the corn-club service, the cotton-club service, and the peanut-club service, in every line increased the yields over the yields of the average farmer. The boys made a cotton yield of 965 pounds of seed cotton, while the average yield in the county was less than 600. That work, gentlemen, goes on in every agricultural county of the United States where we have agents, as can be shown by a detailed report.

Senator KENYON. Could not men who are not within the draft age do this work just as well?

Secretary OUSLEY. As was developed here a while ago, Senator, by the question of Senator Smith, the trained and experienced man of more than 31 years either has a place of his own which he is unwilling to abandon, or he is a failure that we can not afford to accept. We can not attract men of more than 31 years, as a rule. A large number of our agents are above that age, but to care for the increasing demand we are compelled to use these younger men of farm experience, raised on the farm, who have gone to the agricultural college for their scientific training.

Senator KENYON. Do you use women for any of this work?

Secretary OUSLEY. We use women in home-demonstration work.

Senator KENYON. Suppose these men had to go to war, what would you do?

Secretary OUSLEY. Many of these activities will be unsupplied. We may be able, under stress of patriotism, to call a few farmers past 31 years to come into the service, but it will be at the sacrifice of their own business, and a very few of them will respond to the call. If we are deprived of men of draft age, we will be able to make no expansion; we will lose many of the best experts we have, and the work instead of going forward will have to go backward.

Senator NORRIS. We might draft the men above 31 years. If we can supply those men without injury to the service from men above the draft age, I think we ought to do it.

Secretary OUSLEY. We are making every effort we can, Senator. Let me tell you that when men above draft age could be secured, under the food-production act, the Secretary has for the past 12 months declined even to appoint men within draft age. We have strained the point to get men above draft age.

Senator NORRIS. You say you could get some farmers to do this, and some of them would not do it because of more lucrative business elsewhere. To the extent you are able to do that, are you doing it?

Secretary OUSLEY. We are doing it; yes, sir; to the utmost extent possible. Mr. Knapp and Mr. Smith, of the States Relations Service, are here, and they both will testify that where it is possible to get men above the draft age they are doing it. It is also a fact that they have made several recommendations of younger men that the Secretary has declined to approve because they were within draft age.

Senator RANDELL. Is it not a fact that quite a number of these men are young men who have graduated with more or less honor in the agricultural departments of the colleges and are willing to accept this work for a few years, but do not intend to remain in it long?



Secretary OUSLEY. That is true, Senator, because the men of high quality who have any acquisitiveness, who love property and love gain, can make so much more following private business.

Senator RANDELL. But you have quite a number of men of very high quality who get their initial training for three or four or five years in your department?

Secretary OUSLEY. That is true.

Senator KENYON. What percentage of your demonstrators are above draft age?

Mr. KNAPP. In the 15 Southern States we have 1,518 men in all kinds of work; 689 of those, I think, are within draft age. It should be understood that some of those older men are men that were taken in before they were 30 and have been in the service 8 or 10 years. I think those figures are approximately correct.

Senator KENYON. Can you give us the figures as to the rest of the country?

Mr. KNAPP. Mr. Smith can give them to you for the rest of the country. I might say that of those 689, only 275 are deferred because of their classification as necessary employees of the United States Department of Agriculture.

Senator NORRIS. Have you any statistics as to how many, if any, of those who are still left will be deferred for other causes?

Mr. KNAPP. Yes; I have that; I have those that have already been deferred for other causes.

Senator SMITH of South Carolina. Would it not be better to have Secretary Ousley complete his general statement in reference to the whole matter, and then take up these other gentlemen in their particular department? If there is no objection, you will proceed, Mr. Ousley.

Secretary OUSLEY. I just want to add a few more words about farm-demonstration work. The number of acres in the South, not speaking of the North and West, covered by crop demonstrations in 1917 was 2,857,485. In addition to these, a conservative estimate of the number of farmers directly reached by the county agents in 1917 is 1,650,000.

In the boys'-club work, in the regular work, there were 115,745, while in the emergency activities last year 300,000 more were reached. In the girls'-club work 73,306 girls were organized. These girls put up last year 12,844,513 cans of fruit and vegetables; and the women, under the direction of our home-demonstration agents, put up 34,993,677. These figures are from the 15 Southern States only. More than 840,000 boys and girls were enrolled last year in the club work in the North and West. They produced \$3,681,329 worth of products.

In 1917 there was an increase in the production of all foodstuffs in the South except rice and hay. As to rice, there was a slight decrease from 1915, due to drought and salt water in the irrigation ditches. The corn crop increased from 803,189,000 to 930,868,000 bushels, which is next to the largest crop production in the South, the largest being 1915. Wheat was increased from 106,000,000 bushels to 117,000,000 bushels.

Senator NORRIS. What year?

Secretary OUSLEY. Last year. Sweet potatoes increased from 64,720,000 to 79,000,000. The acreage in velvet beans increased

179 per cent; peanuts increased 94 per cent. Gardens, fruit, and other crops increased by several hundred per cent.

Gentlemen, that is due to the work of county-demonstration agents. It could not be due to anything else, because such increases are not shown in counties where county-demonstration work is not established.

Senator KENYON. Do the figures as to gardens cover the cities, too?

Secretary OUSLEY. I am speaking now only of country gardens.

Senator RANDELL. You have satisfied yourself that these increases exist only in the counties where there are county agents?

Secretary OUSLEY. Yes; in the volume necessary to maintain a well-balanced agriculture.

Senator KENYON. Can you lay it down as a proposition that these increases are entirely in counties having county demonstrations?

Secretary OUSLEY. I can lay down the proposition and sustain it by the records that the well-balanced increased yield of farm crops, with due regard to the conservation of the soil, is due almost entirely to the leadership of the county agents backed by the Department of Agriculture and the agricultural colleges. I do not mean to say that there are not other increases here and there.

Senator SMITH of South Carolina. As a general principle, wherever this work has been done systematically it shows that result?

Secretary OUSLEY. Yes, sir. Nor do I mean to say that the county agent touches every farmer, but the county agent does touch the leading farmers of his county, and they touch the others.

Senator KENYON. We hear a good deal on the Senate floor in opposition to the county demonstrators, to the effect that they are young fellows going out to teach the farmers how to farm.

Secretary OUSLEY. The answer to that is that the county agent is sustained in part by his county, in part by his college, and in part by the department. He could not stay in the county if the county did not accept him.

Senator KENYON. The farmers welcome him, do they not?

Secretary OUSLEY. Undoubtedly. He would not be there if the farmers did not accept him, because they have to contribute; that is, the county as a unit contributes.

Senator KENYON. But whatever notion may have existed about that, that has all gone by.

Secretary OUSLEY. All gone by; yes, sir. The fact is, that these men are from the farms.

Senator RANDELL. Do you know how much was contributed by the counties last year to the salaries of these demonstration agents?

Mr. KNAPP. In the whole country, \$2,000,000.

Senator KENYON. Is that raised by the farmers or by the merchants?

Secretary OUSLEY. Usually by the county court—by the county government.

Mr. KNAPP. In many sections, in many of the States in the Northwest, the farmers themselves, through membership in a farm bureau, pay it. In the southern section the county pays it.

Secretary OUSLEY. Now, gentlemen, I think I have said enough on the general question of farm demonstration work. I want to give you a few typical cases of experts in the department who have

been placed in the deferred classification. Before I do that, perhaps I had better remind you of the general statistics, as a matter of record. There are 5,855 men of draft age in the Department of Agriculture—

Senator KENYON. Are those from all the States of the Union?

Secretary OUSLEY. Yes, sir.

Senator KENYON. Could you not put in the record a classification as to the different States?

Senator SMITH of South Carolina. I would be glad if you would do that. That is on the line suggested the other day.

Secretary OUSLEY. We will do the best we can, Senator. The fact is, this record is incomplete. I just want to give you the high points, and we will insert the statement. Now, excepting about four States from which we have not had returns, of those 5,855 there have been deferred on the recommendation of the department 1,505, which, with the other returns yet to come, will not exceed 1,700. Of that number 303 have been deferred on other grounds than being agricultural experts and would have been deferred if we had not made the request. Of those within draft age—5,855—1,258, so far as data are available, were not recommended by the department but were deferred by their district boards for other reasons. So, reducing the figures to the net result of deferred classification on the recommendation of the department, for department purposes and for department reasons, it will not exceed 1,400 or 1,500, because the others would have been deferred for other reasons.

Senator KENYON. In what classes are they placed?

Secretary OUSLEY. Class 3—I, they call it.

Senator SMITH of South Carolina. Is there any way by which you would give the other reasons that were assigned for deferred classification?

Secretary OUSLEY. The general reasons, Senator, are support of families, physical disability, and things of that kind.

Now, gentlemen, I want to give you a few typical cases, and file for the record some that I shall not read.

Here is a memorandum from the Bureau of Chemistry concerning Mr. Wendell Vincent. Mr. Vincent has charge of our Seattle Food and Drug Inspection Station. The duties in connection with a responsible position as chief of a station like Seattle are great. It requires a man with a high order of administrative ability, as well as tact and good judgment. Mr. Vincent fills this position creditably, and under his guidance the station has shown a very noticeable increase in activities. It can readily be appreciated that were Mr. Vincent to be called into the draft the work in the Seattle territory would suffer a considerable setback. There never has been a time in the history of the Bureau of Chemistry when conditions have been as at the present time and have demanded a closer supervision of all lines of work being conducted by us.

There are several others from the Bureau of Chemistry.

Here is one from the Bureau of Soils.

Dr. Lucien H. Greathouse is now working in the Division of Fertilizer Investigations. Dr. Greathouse for about a year has been working on a process for the oxidation of ammonia by electrolytic means. This method will permit of the production of ammonium



nitrate, greatly needed by the Army, without the use of platinum, which is required in the ordinary method of oxidizing ammonia. The Bureau of Ordnance has evinced the greatest interest in this piece of experimental work, and at the time deferred classification was asked for Dr. Greathouse, Col. Joyes, in charge of the Nitrate Division of the Bureau of Ordnance, filed a letter with the department expressing his interest in the work and his desire to see the experiment carried through to a conclusion. So important does the Bureau of Ordnance consider this work that they have assigned as assistants a sergeant, a corporal, and a private, who were included in the draft and who had chemical training and experience sufficient to make them of value as assistants on the work. The experiment has progressed far enough to make it evident that, if certain details of operation can be worked out satisfactorily, this method of oxidizing ammonia will probably have a very important bearing upon the present situation. The drafting of Dr. Greathouse would remove the leader of the project, the man who first conceived the work and who has carried it forward to its present state, and would seriously delay its successful conclusion.

Here is a memorandum from the Bureau of Markets concerning Mr. George Livingstone, specialist in grain markets.

Mr. Livingston is in charge of our Federal grain supervision under the United States grain-standards act and of our project "marketing grain and hay," through which the emergency work of the department in issuing market reports on these commodities is directed. He received his B. S. degree in agriculture from the Ohio State University in 1909 and took graduate work at Cornell University and Halle-Wittenburg. For several years he served as a member of the faculty of the Ohio State University as assistant professor of agronomy, and, immediately prior to his appointment in the Bureau of Markets on June 1, 1915, he entered the position of chief of the newly created department of farm crops at that institution, which he declined, to enter our service. He is the author of several important publications pertaining to the handling and marketing of grain, one of which is being used as a textbook in several of the leading agricultural colleges. He has marked ability as an organizer and investigator, and under his direction the organization of the grain supervision work has reached a high state of efficiency.

Mr. Livingston has been associated with the grain supervision activities from the beginning; has rendered valuable assistance in the preparation and promulgation of rules and regulations for the enforcement of the grain-standards act; has directed the promulgation of standards for shelled corn and wheat, personally supervising the holding of hearings at grain centers, and directing the investigation of the practices of marketing grain at country and terminal points. He also was called upon to assume the active and responsible direction of the movement to assist in marketing soft corn in order to eliminate loss through deterioration due to excessive moisture during the past year.

The description of his duties thus briefly stated would indicate the responsibility of his assignment, considered in connection with the fact that he is uniquely qualified therefor and that it would be practically impossible to replace him, will show the extent to which

the department would be embarrassed and hampered if he were to enter the military service at the present time.

Here are some deferred classification cases from the Bureau of Plant Industry: Mr. Robert E. Blair is superintendent of the Yuma experiment farm at Bayard, Cal. His work in producing long-staple cotton, so much needed for airplane wings, and alfalfa seed, to mention nothing else, is invaluable. It would be impossible to replace him with a man equally qualified at this time.

I do not seem to have a memorandum from the Forest Service.

Senator SMITH of South Carolina. I will state that if you desire later on to put that in the record, you may.

Senator NORRIS. I would like to have the Secretary state something as to the Forest Service.

Secretary OUSLEY. The Forest Service has been of immense value to the War Department. It has helped the War Department through its own experts to organize two regiments to handle the construction and getting out of timber in France. The forestry experts have control of grazing in the forest reserves, and under their care they have greatly increased the grazing possibilities of the forest reserves. In knowing the precise conditions in the forests, the grasses that grow there, and what those ranges will stand, they are enabled to distribute cattle in increasing numbers for grazing on the forest ranges, and that has saved many cattle from the drought regions this year, which were transferred to the forest ranges.

Senator SMITH of South Carolina. What have they done, if anything, with regard to the timber used in the construction of airplanes? Has the Forest Service done anything in that line?

Secretary OUSLEY. Yes, sir; they have done a great deal in that line.

Mr. HARRISON. The forest products laboratory at Madison, Wis., is on a war basis now. It is rendering exceedingly valuable service to the Signal Corps in connection with the airplane program and in determining the best species of woods for airplane purposes, the construction of Army vehicles, and the like. They are also assisting in getting out spruce in the Northwest.

Senator NORRIS. I want to get at the idea whether these men are doing a very necessary work.

Secretary OUSLEY. One of them has invented a new process for the quick kiln-drying of spruce, which saves a year in getting spruce from the forest into the airplane, and he has presented that process to the Government. Without that process our airplane program would be still further greatly delayed.

Here are some of the figures. Mr. Bryan is an expert in the utilization of grazing ranges in the national forests. In district 3, in which he is employed, the forest ranges are now carrying 430,000 cattle and 950,000 sheep. Due to the knowledge and skill of Mr. Bryan and such men, the number of cattle using the forest ranges in his district has been increased over 22 per cent since we entered the war. Such men can not be spared without great loss to the cattle industry or great injury to the ranges. A man can not learn the facts about these vast ranges without long and close observation. That is expert knowledge, gentlemen. You can not put an unskilled man in to handle a range without danger of losing cattle.

Senator RANDELL. Is not the work of reforestation being pushed rapidly? I know that in my State a great deal of work has been done, and young men have been going in there from the colleges and getting practical experience.

Senator NORRIS. The work of reforestation would not materially help in the war, would it? It is not directly connected with the war.

Secretary OUSLEY. Oh, no; but it is necessary to continue the work in order to protect the investment already made in young trees, etc. I will insert in the record a statement giving facts in a few other typical cases in some of the bureaus for the information of the committee.

(The statement referred to is here printed in full, as follows:)

TYPICAL CASES OF DEFERRED CLASSIFICATION OF EMPLOYEES OF THE DEPARTMENT OF AGRICULTURE.

BUREAU OF ANIMAL INDUSTRY.

Dr. Carl F. Lipp, is a veterinary inspector, 28 years old, stationed at Leesville, La., and is engaged in tick eradication work. Dr. Lipp is trained in this line of work and has immediate supervision of the tick eradication activities in Vernon Parish, La., where he directs the work of the local inspectors. He has become acquainted with the influential citizens of the parish and the local conditions. It would require a new and inexperienced man 6 to 12 months to become acquainted with the work in that locality and be in position to meet the conditions in the parish; besides, it is difficult at this time to obtain competent men for this work. The work in Vernon Parish is being prosecuted vigorously with the hope of releasing it from quarantine at the close of this season. If Dr. Lipp were removed at this time it is doubtful whether we would be able to accomplish our object, and much of the Federal, State, and county funds already expended would be practically wasted. The statements made in regard to Dr. Lipp apply also to other veterinary inspectors assigned to tick eradication work in the South, as they are all doing supervisory work. The fact should not be overlooked that tick eradication has considerable bearing on increased beef production, which is very important at this time.

F. W. Farley is a senior animal husbandman in charge of beef cattle investigations, with headquarters at Washington, D. C. Mr. Farley is of draft age, but if he were to go into the Army it would leave our beef-cattle department without a head. This is one of the most important lines of work in the Animal Husbandry Division. This division has experimental work under way in beef cattle at four points in the South, and it is generally recognized that the experimental work which is being done in beef production in Southern States has pointed the way in methods of management, feeding, and breeding, which have made possible the great development of the beef cattle industry of the South in territory freed of ticks. In view of the great difficulty to get men competent to supervise this work and in view of Mr. Farley's attainments and successful work, it would be a great loss to the department to lose his services.

Another senior animal husbandman who has been deferred at the request of the department is Mr. Sewall Wright, in charge of investigations in animal genetics, with headquarters at Washington, D. C. The bureau spent nearly three years searching for a man to fill this position. Mr. Wright is useful, not only for his scientific ability as a geneticist but also for his remarkable ability as a mathematician and statistician. He has been engaged during recent months in some extremely important statistical work bearing directly on war activities. It would be a serious loss to the department at this time to lose the services of Dr. Wright, and it would probably be impossible to replace him.

Dr. Walter Boyce is a veterinary inspector detailed to work on virus-serum control at Red Cloud, Nebr. His actual duties consist in the supervision of an establishment licensed under the virus, serum, toxin act of 1913, and he performs a large amount of important work. This work consists of the actual inspection of animals used in the preparation of hog-cholera virus and antihog-cholera serum, as well as the animals used in the testing of these products. It has been found absolutely necessary to have inspectors of this bureau at establishments preparing hog-cholera virus and antihog-cholera serum at all



times when the establishments are in operation. If this is not done, the results have shown that careless methods will be used in the preparation of the products and that nonpotent or contaminated serum will be sent out from the establishments. If such contaminated or impotent products are sent out and used to protect swine against cholera, disastrous results will follow, with the attending losses to the hog raisers. Such losses at this time effect not only the farmers who own the hogs but the country at large, because of the loss of meat-producing animals. The department is engaged in a campaign to stimulate hog production in all parts of the country. One of the most important steps in this work is the protection of hogs from hog cholera, which is practically the only disease that is to be feared by hog raisers. In view of the importance of producing potent, noncontaminated virus and antihog-cholera serum, it is now required that no operations of licensed establishments be conducted unless a bureau inspector is present at the plant. The men who are assigned to virus-serum control work were chosen because of special qualifications which they possessed. Valuable time and considerable money were spent by the bureau in training the men so that they could perform efficient inspection and supervisory work, and to remove them would result in disrupting the inspection work, which is highly important to the food supply of the Nation.

Dr. Frank R. Jones is a veterinary inspector of draft age engaged in hog-cholera control work in Texas, in cooperation with the State authorities. His deferred classification was requested on account of the importance of the work in which he is engaged. Hog cholera is undoubtedly the greatest impediment to increasing hog production. The control of this disease is especially important at this time, in order to increase our meat supply. The control and eradication measures in operation under the supervision of Dr. Jones, and other veterinary inspectors similarly engaged, are meeting with great success and are largely responsible for the reduction of losses from hog cholera this year to the lowest point in 35 years. Dr. Jones received a thorough training for his present duties, which required many months and an outlay of considerable money. He is very successful and he has the hearty support of the swine growers, the local veterinarians, and cooperates harmoniously with the State officials. His knowledge of animal diseases, especially hog cholera, fits him for this important work, where frequently quick and accurate diagnosis and action is necessary to prevent the spread of disease and the consequent losses to hog growers. If Dr. Jones were to be removed from his present assignment, through the draft or otherwise, it would seriously impede the hog-cholera work in the State of Texas, and it would be impossible to obtain and train another man to take his place this season. Dr. Jones is but one of the veterinary inspectors engaged in hog-cholera-eradication work, and to remove any of them from this particular line of duty at this time would be regarded as a serious mistake in that it would retard the hog-cholera work.

Dr. Frank W. Miller is a veterinary inspector assigned to general supervisory duties in connection with the meat-inspection service, with headquarters at Chicago, Ill. It is regarded as very important at this time that the meat and meat-food products receive a thorough inspection, especially since a large part of the output is used to feed our soldiers and sailors as well as the allies. Dr. Miller's services in his present official position are extremely valuable, as he supervises the inspection at various stations in a large territory in order to maintain efficiency and secure uniformity in the work in his territory. He has proved very efficient as a supervising inspector; his development in the meat-inspection service was accomplished through years of service in routine work, station supervising inspector, inspector in charge of station, and finally as supervising inspector of a district. It is quite impossible to replace an inspector of his type within a reasonable time, as such men gain efficiency as inspectors largely through years of experience in the service. To remove him at this time from his position would be a great loss to our meat-inspection service.

There are in the bureau a large number of veterinary inspectors assigned to regular post-mortem and ante-mortem work. Dr. Lawrence P. Kirch, of the Indianapolis (Ind.) station, who is of draft age and whose deferred classification was requested, is an example of this class. He has been in the service for about four years and is giving reliable and highly efficient service, and under present conditions the bureau finds it almost impossible to replace men of his class. In this connection it may be stated that much time and considerable energy is devoted to training veterinarians after they enter the service.

in order to develop the desired state of proficiency necessary to an efficient conduct of the meat-inspection work. Men to enter this service must be graduates of a recognized veterinary college; they must pass the civil-service examination, which gives assurance that they have the elementary educational qualifications. After they enter the service it requires months of training in bureau activities before they are able to conduct the work independently, and to remove trained men of this class seriously interferes with the meat-inspection service of the country, which is so important at this time.

Mr. A. O. Dahlberg, a dairy manufacturing specialist of Grove City, Pa., was placed in deferred classification by request of the department. His work relates particularly to the utilization of by-products of creameries and cheese factories. Besides endeavoring to bring about an increase in the output of all kinds of dairy products by means of stimulated production and better practices the Bureau of Animal Industry is giving special attention to the fuller utilization for human food of skimmed milk and buttermilk, large quantities of which are ordinarily fed to live stock or wasted. Mr. Dahlberg is peculiarly fitted for his duties by his training, which includes fundamental science and a long experience in dairy manufacturing. He is qualified for laboratory work and the manufacture of butter, condensed milk, casein, and other by-products. He is a mechanic of considerable ability, and is capable of planning and installing new machinery. At the present time he is working on methods for the preparation of casein especially adapted for airplane construction. We know of no available person in the country who could exactly fill his place, particularly in the manufacture of casein, on which he has conducted investigations for a number of years.

#### BUKEAU OF PLANT INDUSTRY.

Mr. R. E. Blair is superintendent of the Yuma experiment farm at Bard, Cal., on the Yuma reclamation project. The farm includes 160 acres of highly developed irrigated land located in a section in which intensive farming is rapidly being developed. The project which the work of this farm affects contains 75,000 acres, of which 72,000 acres are under ditch. The acreage under cultivation in 1916 was 25,000 acres; in 1917, 37,000 acres; and in 1918 is estimated at 45,000 acres.

In addition to his duties as farm superintendent Mr. Blair is carrying on very valuable advisory work among the farmers of the project with respect to the rapidly developing production of cotton and alfalfa seed, it having been thus far impossible to secure the services of a suitable man to give his exclusive attention to the advisory work, as the department has desired.

In 1917 12,000 acre of cotton were grown on the project. The acreage for 1918 is estimated at 18,000, of which approximately 4,000 acres are Egyptian cotton and 4,000 to 5,000 acres Durango cotton. The return to the farmers from the Durango and Egyptian cotton crops, on a basis of previous experience and present prices, it is estimated, will probably exceed \$1,000,000, the total farm value of the crops of the project exceeding \$4,000,000, as shown by the statistics of the Reclamation Service.

As maximum production of long-staple cotton is an important factor in the military program, the necessity for retaining Mr. Blair, who because of his previous training and experience is in effect doing the work of two men, is obvious.

In this connection it should be noted that it has not been possible to secure competent field-station assistant for work of this type in the Southwest since last summer, so that there are now five unfilled positions of this class in our work on the reclamation irrigation projects and no experienced assistants available to replace farm superintendents.

Mr. L. C. Aicher is superintendent of a very important combined dry-farm and irrigated substation at Aberdeen, Idaho. This station is situated in the north central part of the Snake River Basin. Tributary to it lies an enormous area of farm land, partly dry farmed, partly irrigated. Large additional areas are being brought under cultivation in the patriotic campaign for increased food production. Many of the settlers under both these sets of conditions are without experience in farming in that section of the country. Add to these the hundreds of new settlers on the newly opened tracts and there are literally thousands of settlers who are looking to the county agricultural agents and to the Aberdeen substation for information on crop varieties, methods of crop production, sources of good seed, and assistance in crop disposal. The county



agents in turn depend upon Mr. Aicher to a very large extent for their information.

Mr. Aicher has had a very wide experience and is intimately acquainted with farming conditions throughout southern Idaho, as well as in other dry-farming sections. Largely through his efforts the dry farmers of southern Idaho have been led to grow the hard red-winter wheat which has made Kansas and Nebraska famous.

Mr. Aicher has been very successful in encouraging individual farmers to grow pure seed wheat of adapted varieties and high quality. He then has encouraged other farmers to purchase such seed wheat, and as a result has been instrumental in the production and dissemination of large quantities of pure Dicklow wheat, the variety best adapted to the irrigated lands of the Snake River Basin. Under peace conditions little irrigated land is devoted to wheat growing. Under war conditions, however, the acreage of wheat under irrigation has been greatly increased, and it has been extremely important that first-class seed of high-yielding varieties be made available to the irrigation farmers. It is estimated by Idaho officials that better seed wheat has been available and used for the crop of 1918 than ever before in the history of the State. That this was possible under conditions of largely increased acreage and depleted-seed supplies is due in considerable measure to Mr. Aicher's skill and energy. Its influence on Idaho wheat production, while difficult to estimate, undoubtedly will be large.

Mr. C. H. Clark is in charge of investigations in the improvement and production of flax for seed purposes. While flax seed is not a human food, it is the source of linseed oil so extensively used in the manufacture of paints, varnishes and similar materials. The opening of the war enormously increased the demand for linseed oil by the Government, although curtailing it in some other directions. The United States was then, and has been for several years, importing flax seed. Our normal annual requirements are about twenty-seven to twenty-eight million bushels. Since 1912 we have not produced anywhere near the quantity required. Our average annual production in the five years from 1913 to 1917, inclusive, has been a little more than 13,000,000 bushels, or about one-half our average annual requirements. Owing to the widespread drought in the chief flax producing States, North Dakota and Montana, in 1917 our production fell to the extremely low figure of about 8,000,000 bushels.

With his intimate knowledge of flax varieties and his wide experience in the flax-growing districts, Mr. Clark rendered very valuable service in the spring of 1917 in helping to coordinate the flax program of the Department of Agriculture and the several flax-growing States and the flax consumers' associations. He helped to locate available supplies of suitable seed and to encourage increased acreage. The providing of supplies of seed of adapted varieties is extremely important in view of the widespread occurrence of flax wilt, a very destructive disease which makes necessary the use of varieties as nearly wilt resistant as possible. Had these efforts not been made, it is probable that our production in 1917 would have fallen far below the scant 8,000,000 bushels which were raised in spite of the severe and widespread drought.

Mr. Clark has been in charge of the campaign for increased production in 1918 and has rendered similar service to that described above, but on a still larger scale. Through his own efforts and those of field assistants detailed for that purpose, every effort has been made to increase the flax acreage and to locate and make available the necessary supplies of suitable seed. This campaign necessarily has included attention to the breaking of sufficient areas of prairie sod to carry the required acreage, because all available tilled land has been used in the increased acreage of wheat and other cereals. It is felt that this second campaign for increased acreage has been highly successful, although figures are not yet available because seeding is still in progress. These results are of the highest value to the country under present emergency conditions because we are largely shut off from our usual sources of import—India and Argentina.

Mr. W. B. Camp has been engaged in the Southwest in an active effort to apply the results of our previous investigations to the actual work of rapidly increasing the production of the new long-staple cottons. There have been planted this year in the San Joaquin and Sacramento Valleys of California approximately 4,000 acres of long-staple cotton. Most of the people planting this cotton are unfamiliar either with cotton cultivation in general or the special requirements of these regions. With his intimate knowledge of the cultural methods of handling these cottons to the best advantage, Mr. Camp is making

himself extremely useful to the farmers of the cooperating communities. Although too early to state in terms of production what his activities have meant in this region, it is entirely safe to state that the 1918 crop will be materially greater as a result of his work. As long-staple cotton growing in this section is only beginning, the importance of Mr. Camp's work is increased by the fact that unsatisfactory results this year would undoubtedly operate to seriously check the development of this new industry at a time when long-staple cotton is acutely needed for industrial and military purposes.

Mr. D. F. Fisher has been stationed for six years in the Pacific Northwest, with headquarters at Wenatchee. He is now in his seventh season. He is working on a group of destructive fruit diseases, whose control heretofore has been difficult or impossible. Step by step for the past six years he has advanced the control methods on several of these diseases, his work forming a connected series of great practical value, directly involved in increasing the production of apples, pears, prunes, and cherries in the Pacific Northwest. The benefits of his work, however, apply to a broader field than even the large fruit-growing districts of that region and are of general application.

Many of the diseases, though occurring in other parts of the country, require special spraying methods or other methods of control in the Pacific Northwest. The apple powdery mildew may be cited as an example. Fisher has perfected the methods of controlling this disease by spraying for this district during the past three years, just finishing the experimental work last season. This season he is directly engaged in the practical application of this work to hundreds of apple orchards in this productive region. An unusually serious outbreak this year makes this work especially timely.

It would not be possible to substitute another scientist though of equal ability, for Mr. Fisher for this season on account of the connected series of experiments he has tried and his experience in these large fruit-producing districts.

Mr. L. O. Watson has been engaged in breeding and disseminating disease-resistant cotton and cowpeas for several years, and is the man on whom we depend for the preservation and conduct of this important project. He has built up an efficient corps of farmer breeders and seed growers and pushed with especial activity since the war the more extended use of resistant cotton as a means of disease control. He has also organized and directed the disease-control work we are conducting in cooperation with North Carolina, South Carolina, Georgia, Louisiana, Texas, and Arkansas, and is begun in Florida, Alabama, Mississippi, and Oklahoma. The work, though new, is already having an influence on crop production. The county agents are continually in need of help from our experienced pathologists, who are organizing large scale control work. For example, a special drive has been made to help the sweet-potato growers get healthy stock for planting their fields this year, the supply of potatoes having fallen dangerously low through unprecedented losses in storage last winter. It would have been difficult to carry on much of this work without the services of Mr. Watson, who has had long experience in the southern field, who knows the people and their problems, and has shown exceptional ability, tact, and sympathy with the farmers. There is no doubt that he has added greatly to the production of staple crops.

Mr. M. H. James is in charge of the inspectors searching for trees infected with citrus canker, and is the only inspector in Texas who has been engaged in this work since the cooperative campaign with the department was undertaken. He is the man most familiar with all of the safeguards that are necessary to prevent the spread of canker as a result of storms, etc. Because of the difficulty of securing men who can be trained to serve as inspectors, the work has been reduced as much as practicable without jeopardizing the successful eradication of citrus canker. Mr. James's supervision of other inspectors and his personal inspection of groves have been largely responsible for the very successful progress of the eradication campaign in Texas. At the present time the disease is almost completely eradicated from Texas, and another effective season's work is expected to complete the work. Delay or further reduction in the inspection at the present time might result in further serious outbreaks of canker.

#### FOREST SERVICE.

Hugh M. Bryan, grazing examiner, attached to the Forest Service district office at Albuquerque, N. Mex. Mr. Bryan is an expert in the development and utilization of grazing ranges on the national forests. In district 3, in which he is employed, the forest ranges are now carrying over 430,000 cattle and more

than 950,000 sheep. Due in large part to the results of work done by Mr. Bryan and other grazing examiners, the number of cattle using the forest ranges in this district has been increased over 22 per cent since the United States entered the war, and it is hoped to still further increase the number. Recently two other grazing examiners in this district have resigned and left the service, leaving him practically alone to handle this important work.

The necessity for maintaining the meat supply of the Nation, coupled with the serious drought which has existed in the Southwest during the last 18 months, makes it exceedingly important that this work may be continued in order that the forest ranges in district 3, which lie almost wholly in the high mountain regions of the Southwest, may carry every meat-producing animal possible.

Mr. Bryan is unusually well qualified for handling this work, and in the present scarcity of men it would be absolutely impossible to replace him.

Vernon Metcalf, until recently Supervisor of the Lemhi National Forest, Utah. Mr. Metcalf is a highly skilled man in all phases of national forest work. At the time of his deferred classification he was in charge of the Lemhi Forest on which are grazed 18,300 head of cattle and 78,000 head of sheep. Since his classification, on account of the depletion of the force of the district office of the Forest Service at Ogden, Utah, by military furloughs and resignations, Mr. Metcalf has been called into Ogden to assist the district forester in handling the administrative business of the district. This district has lost so many of its experienced men on account of the war that it is with extreme difficulty that the Government's business on the national forests can be maintained. It would be impossible to replace Mr. Metcalf without material loss to the Government interests.

Mayland J. Valentine, forest ranger on the Superior national forest, Minnesota. Mr. Valentine has had years of experience on the Superior National Forest as district ranger. His district is isolated so that it is difficult to get men and supplies into the region where the fire danger is abnormal. Through his thorough familiarity with the region he is able to direct fire patrol and to handle the work of fire fighting to far better advantage than could any other man who might be assigned to this district. His experience, therefore, is an important element of protection to the Government property represented by the standing timber and in case of fire would be a means of lessening the expenditures of Government money necessary to put it out. With the increasing timber business on this forest, Mr. Valentine's services are also constantly becoming more valuable and his satisfactory replacement becoming more difficult. His services can not be dispensed with without seriously jeopardizing important Government interests.

John F. Forsythe, forest supervisor in charge of Kaniksu national forest, Washington. Mr. Forsythe is in charge of a heavily timbered national forest of 456,616 acres. The fire hazard on this forest is great. The timber sale business is large, involving a cut of over 20,000,000 feet annually. There is also some grazing on it. Mr. Forsythe was selected to be supervisor of this forest from among a large number of employees on account of the exceptional qualifications he had shown in the organization of fire preventive and suppression work and the exceptional skill and business ability he has shown in handling timber sales. This man can not be replaced without serious disturbance to the Government business, including possible interference with the production of wood materials needed for war purposes, or without losing the full benefit of the efficient fire-protective organization which he has developed, thus hazarding the loss of millions of dollars' worth of Government timber.

Dwight C. Birch, forest examiner, attached to the district office, San Francisco, Cal. Mr. Birch is a trained forester, who was detailed to the district office of the Forest Service at San Francisco to take the place of Logging Engineer Swift Berry when the latter was commissioned as an officer in the United States Army (Reserve) and was ordered on active duty in France. Birch was selected for this work as being the best available man to make the appraisal examinations of national forest timber prior to its being offered for sale. These appraisals are required by law. The timber business in this district has doubled during the past two years, especially with the urgent demand for lumber for containers for foreign shipments, and it would be extremely difficult, if not impossible, to replace Mr. Birch with a man who could handle the appraisal work satisfactorily.

The situation can be summed up by saying that the best man for handling this particular work is already in the Army in France. Mr. Birch is practi-



cally the only available substitute, and if the timber-sale work in California is to continue to be handled efficiently, his services are necessary.

Robert E. Clark, forest supervisor, Leadville National Forest, Colorado. As supervisor of one of the most important forests in Colorado, Mr. Clark has charge of 935,566 acres of national forest land with a force of 10 assistants. This force has been so depleted on account of the war that only with great difficulty can its principal lines of activity be maintained. Should Mr. Clark be released, no one else on the forest force could handle the position of supervisor and it would be impossible to handle the forest business, particularly grazing, with anything like the efficiency with which it is now being handled. The Leadville forest is of great importance at this time on account of the timber which it is supplying to the mines and transportation systems of Colorado and on account of the stock which are being grazed. Approximately 16,000 head of cattle and horses and 102,000 head of sheep are grazed upon this forest.

Leslie E. Dodge, deputy forest supervisor, Sawtooth National Forest, Idaho. Until recently Mr. Dodge was employed as a forest ranger in charge of an important district of the Chehalis National Forest. He has now been made deputy forest supervisor and assigned to the Sawtooth forest. The supervisor of the Sawtooth forest is already in the Army and his place is filled during his absence by a man whose knowledge of the forest is not sufficient to enable him to conduct its business without the aid of an experienced deputy, which Mr. Dodge is. The volume of grazing business on this forest is large, the timber resources are important, and are subject to enormous damage by fire if the fire-protective system is not maintained at a high standard of efficiency. No other experienced employee is available to take Mr. Dodge's place if he were released from his present work.

Walter Osborn, forest ranger, Black Hills national forest, South Dakota. Mr. Osborn is in charge of a ranger district of about 100,000 acres, important both for its timber resources and business and its grazing. It is a sparsely settled district which is subject to fires started by lightning, so that the rangers' knowledge of the country is very important in the protection of the forest. There are grazed upon the Black Hills forest this year 27,000 head of cattle and horses. This is almost double the number of stock grazed in 1916 and this increased business can be handled only by trained and skilled employees, such as Mr. Osborn. He could not be replaced with an experienced and efficient man, and if he were released the Government timber and grazing business would suffer a heavy loss and the timber resources of his district would be jeopardized by fire.

#### BUREAU OF CHEMISTRY.

Mr. E. Q. Adams is engaged in a line of work requiring not only a very thorough knowledge of chemistry but of physics and of mathematics, both of a scientific and practical nature. He has been very instrumental in designing a number of devices which have proven of great assistance in the study of a method for the manufacture of phthalic anhydride on a large scale. This article is one of the most important intermediates used in the preparation of synthetic dyestuffs. He has designed certain pieces of apparatus in connection with the study of anthracene, which has been of material assistance. He has collaborated in a study of the absorption of gases by charcoal. The apparatus which Dr. Adams has designed in this connection has proven of great service and it is felt that his work will be of great importance in gas-defensive warfare. Because of his knowledge of optical instruments he has been of much service to the chemists of the Signal Corps. He has also studied several compounds which are of importance in aero photography, and has been able to give the Signal Corps much information which is of great value. There is no one in this bureau with the proper education and training who could have been spared to carry forward the work which has been done by Mr. Adams.

Mr. Herbert Switzer is a dairy bacteriologist and is stationed at our Chicago station. His duties consist of the bacteriological examination of foodstuffs in our central district. Before Mr. Switzer was appointed, and when the position of bacteriologist in the central district was vacant, the record of every bacteriologist who qualified for the appointment by civil-service examination was very carefully searched to find a man whose education and experience, as well as temperamental qualities, recommended him for the position. Mr. Switzer was chosen because it was evident that he was exceptionally well fitted for the work. He has been engaged in a special study of the manufacture of powdered-milk products, which are used in large amounts by our Army. As a result it has

been possible to bring action against serious abuses which are shown to exist in certain factories. It would be more difficult to-day to secure a competent bacteriologist than it was when Mr. Switzer was appointed. Had he been drafted, the position now held by him would without doubt have been vacant for a considerable period of time. The work, therefore, would have suffered materially, and all of the important bacteriological work now done by Mr. Switzer would have to be suspended, at least temporarily, were he to sever his connection with this bureau.

Mr. Arden D. Greenlee has had charge of the special emergency work in the field of poultry and egg packing houses, this work being done under the food-production act. It is a well-known fact that improper handling and distribution of poultry and eggs causes enormous losses every year. Under Mr. Greenlee's direction an effort has been made to stimulate the development of small packing houses equipped with special feeding stations and supplied with refrigeration for storage preliminary to transportation to market. A goodly number of these plants have been built and have been used as practical demonstrations to the poultrymen in the surrounding regions. By the use of these houses it has been demonstrated that poultry fed in them will gain approximately 30 per cent within a period of two weeks. The work, therefore, has a very direct bearing upon the meat supply of this country. After the fleshing process the poultry is dressed and shipped in carload lots from small packing houses and arrive at their destination with practically no waste or decay. Eggs are also handled in these special houses, where they are chilled immediately and shipped, under refrigeration, the loss thereby being reduced to a minimum. Mr. Greenlee has been the only man available who is qualified both by experience and training to supervise this emergency work. Had it been necessary for him to sever his connection with this bureau, the very important work in connection with the conservation of poultry and eggs would have suffered greatly, as it would have been impossible to have brought it to the present state of development.

Mr. Julian K. Dale has had charge of the field work in the emergency sirup investigations under the food-production act. This work is of the very greatest importance at the present time and demands a very able investigator to properly carry it on. In several Southern States the production of sirup has been slow because of the technical difficulties involved. One of these is that cane juice, if concentrated too far, will crystallize, and it has been Dr. Dale's work to find a practical method to prevent this crystallization, and, on the other hand, to prevent the fermentation due to the fact that the cane juice was not concentrated far enough. He has been able to work out a method for overcoming both of these difficulties and has been enabled to produce a sirup that is superior in quality to the ordinary commercial product. He has devoted a good deal of time to the demonstration of this method for the purpose of stimulating the production of sugar cane. These methods, if followed, will prevent the various sirup losses that at present occur from spoiling of a considerable portion of each year's crop. There has been no one in this bureau who could take up this work were Dr. Dale to leave. It will thus be seen that this very valuable process would not have been demonstrated to the various cane-growing centers had Dr. Dale been drafted and inducted into the service.

Mr. Ernest H. Grant is engaged in, and has charge of, the examination of drug preparations at our New York station. He is skilled in the analysis of preparations, such as proprietary medicines. This work requires unusual accuracy and a considerable amount of initiative and ability to carry on new lines. During the past year Mr. Grant has prepared a set of methods for the detection of medical purgative drugs. His work is of greater importance than ever before for the reason that the temptation to adulterate or manipulate drug products is greater to-day than it has ever been in the past. There is no one in our eastern district who has the necessary education and training to step in and carry forward the work now being done by Mr. Grant were he to leave.

#### BUREAU OF SOILS.

Mr. William H. Fry graduated from the University of North Carolina in 1910, degree A. B., he having specialized in petrography and its relation to mineralogy and geology.

He entered the service of the Bureau of Soils December, 1910, and is employed as a petrographer. A petrographer is one skilled in the use of the petrographic microscope by means of which any of the common minerals can be quickly and surely identified in a soil, fertilizer, or any unknown material. There are at

the most not more than 10 petrographers in the United States. Three of these are employed by the Geophysical Laboratory (Carnegie Institution) and practically all the others are in the employ of the United States Government and only 4 of the 10 have had experience with commercial products other than rocks.

A petrographer is necessary for the proper and efficient performance of the work of the bureau, and it would be impossible to replace Mr. Fry except by taking some one from other work equally important.

Mr. Albert R. Merz has for some years been engaged in this bureau upon potash investigations in cooperation with Dr. Ross. He carried through to completion a survey of the cement industry of the United States, involving a large number of analyses of samples from the cement companies of the United States, which showed the possibilities in the way of production of soluble potash for agricultural purposes from this source in this country and Canada. Partially, at least, as a result of this investigation and the publicity which followed the publication of our results, many of the cement companies of the United States are actively engaged in collecting potash volatilized in their kilns or installing apparatus for that purpose. At present Mr. Merz is engaged as leader of the project in a similar investigation of the potash volatilized at the blast furnaces of the country. This investigation already indicates that potash from blast furnaces will be even more important in volume than that from the cement kilns. The drafting of Mr. Merz would remove the leader of this project, which is of very great importance and which can not be completed for the best part of the year, because of the large number of analyses which must be made. Trained chemists are at present so scarce and the demand by various industries is so great that it would probably be impossible to fill Mr. Merz's place without serious delay in the completion of this project.

Mr. F. Z. Hutton has been in charge of a number of our soil-survey field parties. Mr. Hutton is in his fifth year of service and is one of our leading men in the field. A certain number of men of this type are indispensable in our soil-survey work. The Bureau of Soils is now conducting 44 separate soil-survey projects, each, with two exceptions, being a cooperative project in which the State is actively participating. In all the cooperating States there are not more than three or four men whose training would warrant their being placed in charge of soil-survey parties. It is therefore incumbent upon the bureau to supply such men; and since the force has been reduced principally by military exigencies to 42, any further reduction would be a serious matter to us. Mr. Hutton is now conducting a survey in North Dakota. He has already done a great deal of work in that State and is the only man in the bureau capable of handling the soil-survey work in that State satisfactorily.

In the requests made for deferred classification the object in view has been merely to hold to a nucleus around which could be maintained an organization, and men who have made a particular study of soils, who are especially informed with regard to soil and farm conditions in certain sections of the country, and who have proved their efficiency are being retained.

#### BUREAU OF BIOLOGICAL SURVEY.

Mr. Urban S. Ebner is a graduate of the Agricultural College of North Dakota. For the past three years he has been engaged in the rodent-control work of the bureau, and for more than two years he has represented the bureau in its important cooperative campaigns with the North Dakota Agricultural Extension Service against ground squirrels in that State. The work has been remarkably successful and he has secured the heartiest cooperation of the farmers. In the 1917 campaign more than 16,000 farmers participated and cleared 77 per cent of the ground squirrels from 4,500,000 acres of land. The director of extension for the State estimated the result was a saving last year of crops valued at from \$1,500,000 to \$2,000,000. This year the work has more than doubled. Over 33,000 farmers have cooperated with the bureau and have poisoned an area of upward of 13,000,000 acres. The saving in agricultural crops will be so great that this campaign may well be regarded by the department as one of its important projects for stimulating agricultural production.

Mr. Ebner has been most successful in securing the confidence of the farmers and in accomplishing the destruction of the crop-destroying rodents. His services are needed not alone in North Dakota but also for planning similar campaigns in other States and for training and supervising the work of new



men who must be developed to carry on the work. His removal from the work in which he is engaged would be a most serious blow to the bureau as well as to the agricultural interests of a number of the great grain-producing States of the West.

Mr. Donald A. Gilchrist was graduated from the Colorado State College of Agriculture. He has been in the service of the bureau engaged in the campaigns against noxious rodents for more than four years. He has proved to be energetic and capable in organizing and directing field parties for the eradication of prairie dogs and other rodents on the national forests and other parts of the public domain, as well as in demonstrating effective methods for the eradication of such rodents among the farmers and stock raisers in the districts in which he has operated. For the past two years he has been working in Arizona, where he is now State leader in the cooperative project with the State extension service of the State Agricultural College. Cooperative campaigns throughout the State have been arranged and conducted, and the most gratifying results have been attained in eliminating these crop and range-destroying rodents. A widespread interest in the possibility of ridding the State of these pests has been aroused and funds are being provided by counties, farmers, and ranchmen in all parts of the State. The importance of this work in the present emergency is so well recognized as a result of Mr. Gilchrist's efforts that a bill appropriating \$25,000 to be expended under the direction of this bureau in combating these rodent pests has been favorably reported to the State legislature now in session and will probably pass. Mr. Gilchrist is the bureau's only representative in his line of work in the State of Arizona and there is no one available to take his place. If he should leave, the work would have to be placed in the hands of a relatively inexperienced person, the inevitable result of which would be greatly increased damage to the agricultural crops.

Mr. James Silver, jr., is a graduate of the State College of Agriculture of Colorado. He has been in the service of the bureau engaged in rodent destruction work for more than five years. During this time he has rendered important service in experimental investigations for improving methods in this work as well as in directing campaigns on public lands for the eradication of prairie dogs, ground squirrels, pocket gophers, and other rodent pests. He is especially successful in demonstration work in agricultural communities and in arousing interest in the organization of systematic campaigns for the eradication of rodents. At the present time he is in charge of the bureau's rodent work in the State of Colorado. During the past spring he has been especially active in demonstrating to the farmers of Colorado the efficient methods of the bureau for the elimination of ground squirrels, prairie dogs, and other similar rodents, in cooperation with the State officials, and has organized and directed a number of campaigns for the control of rodents. If he should be removed it would leave the entire State of Colorado without any trained man to conduct this most important line of work. The bureau has no one available to take his place; in fact, the demands for work of this character are much greater than the bureau can undertake. There is no place where experienced men can be secured except among those who have been trained in the bureau's work. Mr. Silver, by training and experience, is one of the bureau's most capable men and his services are urgently needed not only in carrying out projects for the destruction of crop-destroying animals, but also for the purpose of instructing and developing new men.

Mr. C. R. Landon has been in charge of the predatory animal operations in Texas since the beginning of this work three years ago and is one of our most capable inspectors. He has developed an efficient force of hunters and has managed the work so successfully that he has secured the hearty support and cooperation of the ranchmen and live-stock associations, which are providing funds for the employment of additional hunters under his supervision. He has been able to capture numerous persistent stock-killing predatory animals which had been the cause of heavy losses among the sheep and cattle of the district. His knowledge of conditions on the Texas ranges and of the available competent hunters, as well as his acquaintanceship among the live-stock growers and their confidence in him, are assets of the greatest value in connection with the work in that region.

It is difficult to find experienced men under normal conditions. Under the present emergency, with so many men already taken into the military service and into other lines of activity connected with the war, it would be wholly

impracticable to secure another man equally competent. If Mr. Landon should be drafted it would be necessary to replace him with an untrained man who would have to learn the country, people, conditions on the range, and methods of procedure before he could do effective work. In the meantime great losses in live stock would inevitably result.

Mr. Duane Stonier for the past three years has been engaged in the rodent work of the bureau in Arizona and New Mexico.

The losses in grain and other growing crops caused by prairie dogs and other rodents has been enormous. During the past winter the New Mexico Council of Defense appropriated \$25,000 to be expended in conducting campaigns for their destruction. The same amount was allotted by the Secretary from the appropriation under the food-production act, and the entire amount of \$50,000 is being expended under the direction of this bureau. At the time these allotments were made Mr. Stonier was in charge of the bureau's rodent work in the State of New Mexico. Acting immediately under Mr. S. E. Piper, who has supervision of the rodent work throughout the Western States, Mr. Stonier has, in cooperation with the extension director of the State and the council of defense, organized and conducted the State-wide campaign against prairie dogs now being carried on. Reports from the State show that the work has met with great success and that its value will be felt this year and each succeeding year in the saving of large quantities of grain and other agricultural crops. The work is regarded by the people of New Mexico as one of the most important which has been undertaken by the Government for the purpose of increasing food production. There are no experienced men who could replace Mr. Stonier, and if he should be removed from this work its efficiency would be greatly impaired, with consequent losses in agricultural products. The work in New Mexico during the present season has been so successful that the State council of defense has expressed a desire to have it continue on the same scale next year.

#### STATES RELATIONS SERVICE.

Mr. Oscar D. Watson, county agent for Irwin County, Ga., was raised on a farm, attended the high school at Auburn, Ga., and graduated with a B. S. degree at the agricultural college, University of Georgia. He has had practical experience in farming for himself for two years. While at college he specialized in animal husbandry.

Mr. Watson has the work in his county well organized. He has been very active in pushing tick eradication, assisted the farmers in building vats and dipping their cattle, and has successfully stamped out a serious outbreak of hog cholera in the county. This being a comparatively new work, he has treated a good many hogs himself and has taught several leading farmers to apply the treatment. He is in the recently infested boll-weevil territory, and has been very active and successful in advising farmers to protect their crop from this pest. He has organized garden and orchard work and has urged in every way possible the necessity for making all farms self-supporting. He put on a successful wheat and small-grain campaign last fall. He has pushed the recent increased hog-production campaign and has been very successful in organizing club work among the boys. The special lines that he has pushed particularly in his territory are the improvement of live stock, the bringing in of better breeding animals, the protection of hogs from cholera, pushing the boll-weevil campaign, and putting on a campaign for the increased production of wheat and oats.

It is very difficult at this time to get men with the technical training and practical experience that Mr. Watson has for the position of county agent. Men with anything like the same training above draft age already have positions paying much more than can be offered agents. His work is in an important agricultural county; he knows the people and the agricultural conditions; has the work already mapped out; and is pushing the agricultural program very successfully. For these reasons, he could not be replaced without substantial and material loss and detriment to the adequate and effective operation of the service.

Mr. George H. Banks, county agent, Jackson County, Ark., is a graduate of the agricultural college at Columbia, Mo., B. S. degree, was raised on a farm, and is acquainted with all kinds of farm work. He had experience in his early life in the management of farm operations. After graduating he taught agriculture at Bolton College, Tennessee, and had charge of the farm in connection with the school.

Mr. Banks has been very successful in establishing county agents' work in Jackson County. He has been exceedingly successful in getting the confidence of the people of the county in such a way as to influence them to change to a very great extent their farming methods. This was formerly a large cotton-growing county and there was very little diversification. He put on an active campaign to increase the wheat and grain crop last fall. He also has been very successful in inducing the farmers to increase their hog production. Unfortunately the hogs of the county became badly infected with cholera, and he has done fine work in stamping this out and teaching the farmers to administer the treatment themselves. He has done splendid work in organizing the clubs. He also has community organizations which assist him in his work. He assisted the boys in securing pigs for their club work. He has cooperated actively and, in fact, taken the lead in the patriotic campaigns for the Red Cross, war-savings stamps, Y. M. C. A., and other war work. He was exceptionally successful in inducing the Negro farmers to subscribe to these funds.

He is employed in an important agricultural county of the State, which he has well organized to protect and promote agricultural production during the period of the war. The people of the county have confidence in him and look to him for guidance and advice.

To remove him from the county and replace him with a stranger would disrupt the work for a considerable period at this critical time. He is necessary to the adequate and effective operation of the service in which he is engaged and he could not be replaced without substantial material loss and detriment to the adequate and effective operation of the service.

Mr. P. D. Perkins, county agent, Calcasieu Parish, La. Mr. Perkins is a high-school graduate and was raised on a farm and had exceptionally good training in practical farming. He successfully conducted a farm for himself in Mississippi and went from there to Angleton, Tex., and was in charge of a substation at the Texas Agricultural Experiment Station.

Mr. Perkins is a very energetic worker, has a good personality, and is able to convince people of the advantages to be derived from putting into practice better farm methods. He has been exceptionally successful in changing the system in his county. When he began work in this territory it was practically devoted to the rice industry. He immediately set about to induce the rice farmers to produce enough other crops to supply food and feed for home use. He has succeeded so well along this line that the reports this year show that about 50 per cent of the land is devoted to crops other than rice. He has induced the farmers to improve their live stock and has this work so well organized that in one division of his county there is only one breed of hogs and in the other division of the county another breed is grown by all the farmers. He has brought in a great number of improved cattle. One splendid line of work that should be credited to him in a large degree is the organization of a market bureau at Lake Charles which serves as a central market for handling the farm products from all parts of the county. Any farmer may bring in anything he has for sale and it will be handled through this bureau or association. This has been very successful.

Mr. Perkins has been very successful in getting the cooperation and assistance of the best men in the county in every move that he has made to push the agricultural interests. He has no trouble in getting the finances for the farmers to increase their hogs or other live stock. He has taken an active lead in all the food campaigns and patriotic moves for raising funds for liberty loans, war-savings stamps, and the Y. M. C. A. He has also been very successful in getting home-garden work established and home orchards and has organized the sweet-potato growers and pushed this work until it is now a very profitable industry. Through his own organization he has been able to increase the crop area of the county practically 50 per cent this year by the use of tractors and other labor-saving machinery. He has been the moving cause in an effort to eradicate ticks and the live-stock disease anthrax from his county.

Mr. Perkins is known to practically every farmer in the county and every banker and business man. The people have the utmost confidence in him. No man without his experience, his knowledge of local conditions, and his mature acquaintanceship in the county could possibly replace him without serious injury to the work. He is necessary to the adequate and effective operation of this service in his parish and could not be replaced without substantial material loss and detriment to the adequate and effective operation of the service. In fact, the work would fail in the parish if he were to be removed and another man put in his place.



Mr. E. S. Roberds, county agent, Lauderdale County, Tenn. He is a graduate of the Mississippi A. & M. College, where he specialized in agronomy and stock husbandry. He was raised on a farm and is a very practical farmer. After graduation he taught agricultural high school in Louisiana for one year, and while at this school had charge of the farm in connection with it. He was very successful in this work.

He has rendered splendid service in the campaign for increasing hog production, and also was very successful in securing the necessary increased acreage of wheat and small grain in the campaign for this purpose last fall. He organized the boys into community clubs and succeeded in getting each community to plant only one variety of corn. He has assisted in stamping out an outbreak of hog cholera in his county. In cooperation with the county council of defense he has assisted in the campaigns for patriotic work, such as selling liberty bonds, war-savings stamps, and has recently conducted a food-pledge campaign, in which he has succeeded in getting a very large percentage of the farmers of his county to sign up for a definite acreage to be planted to food crops.

It is impossible at the present time to obtain men of the degree of training and experience of this man for the position of county agent. Men older than he is and who have ability and training are already fixed in agricultural work and obtaining so much more income that we can not command their services. The county in which he is working is an important agricultural county. He is necessary to the adequate and effective operation of the service in which he is engaged. For the reasons expressed above he could not be replaced without substantial and material loss and detriment to the adequate and effective operation of the service.

Mr. N. B. Stevens, county agent, Halifax County, N. C. He is a graduate of the North Carolina Agricultural College and specialized in agronomy and animal husbandry. He was raised on a farm and has had practical experience in the management of the farm. During his college course he spent his vacations on the college farm in charge of the dairy herd and assisted in running the college dairy.

Mr. Stevens has shown marked ability as an agricultural leader from the day he was first appointed agent. He has the confidence of the farmers of his county to a marked degree. He is very energetic and is able to impart the information he has in such a way as to be always welcome by the farmers in his county. He has the work well organized and has succeeded in getting the cooperation of the best people and community leaders to a very large degree. He has been very active in putting on special campaigns, especially the one for increasing food production in 1917, which resulted in a very large increase of food crops in his county. He put on a campaign for the increase of wheat and small grain last fall, and the splendid grain crop in his county is largely a result of this campaign. He has also encouraged the growth of soy beans and other legumes which could be used for food crops. He has pushed vigorously the home garden and home orchard proposition. Unfortunately hog cholera has been prevalent in his territory, but he has been very successful in stamping out the outbreaks and has taught a number of the leading farmers to administer the cholera treatment. He has been an active leader in all of the patriotic campaigns for raising funds for the Y. M. C. A., liberty loans, war-savings stamps, etc.

It has become impossible to obtain men of the degree of training and experience Mr. Stevens has for the position of county agent. Men older than he is with the necessary ability and training are already engaged in agricultural work at a much larger income. The county in which he is working is an important agricultural country. He has the situation well in hand and is necessary to an adequate and effective operation of the service in which he is engaged. For these reasons he could not be replaced without substantial and material loss and detriment to the adequate and effective operation of the service.

Mr. Samuel Yeates, county agent, Sunflower County Miss. He graduated with a B. S. degree from the Agricultural and Mechanical College of Mississippi in 1908. He was raised on a farm in Mississippi, and has had practical experience in all kinds of farm work. After his graduation, he was in charge of an agricultural high school at Stonewall, La., for two years and six months. In addition to his work as teacher of agriculture in this school, he had charge of the farm in connection with it.

Mr. Yeates is well informed on agricultural matters and has taken special interest in promoting diversification. His first experience as an agent was in Hinds County, Miss., and from the beginning he was very successful in establishing his work among all classes of farmers in that county. He had the full cooperation of business men and the officials in pushing his work among the farmers. He was transferred from Hinds to Sunflower County on November 1, 1916, and in his new field he has succeeded in getting hold of the situation in good shape. This county is in the midst of the heavy cotton-growing delta section of the State, and until recently the farmers depended entirely on cotton; but since Mr. Yeates has been in the county he has been able to change the attitude of a very large percentage of the leading farmers. His reports last year indicated that the county was self-sustaining, so far as food production was concerned, for the first time. He has pushed diversification in every way possible. He has succeeded in getting a number of farmers to plant alfalfa. This proved a success, and all of those who planted are well pleased. He has pushed the live-stock industry in such a way as to enable the farmers to ship several carloads of beef cattle and hogs to the markets last season. The increased hog-production campaign was pushed very vigorously by him. Unfortunately, hog cholera prevailed, but he has succeeded in stamping out the outbreaks, and he has taught several farmers how to administer the treatment. He was instrumental in getting a cotton grader located in the county, which has been of very material benefit. He has organized an Irish-potato growers' association, the object of which is to enable the farmers to buy, grade, and market their potatoes cooperatively. He put on a campaign for increased acreage in wheat and small grains last fall. He has participated in all of the patriotic campaigns, and has demonstrated his ability as a leader among agricultural people to a very marked degree. His present county has been considered one which was very difficult to organize and develop, but Mr. Yeates has succeeded beyond question.

To remove him from the county and replace him with a stranger would disrupt the work for a considerable period at this critical time. He is necessary to the adequate and effective operation of the service in which he is engaged, and he could not be replaced without substantial, material loss and detriment to the adequate and effective operation of the service.

Mr. Webster H. Sill, county agent, Brooke County, W. Va. Mr. Sill received his common-school training in the public schools of Crawford and Erie Counties, Pa. He received his high-school training at the Centerville (Pa.) High School and at the Edinboro State Normal School. In June, 1911, he was graduated with the bachelor of science degree in agriculture at the Pennsylvania State College of Agriculture.

He was reared on a farm in Pennsylvania and became familiar with all kinds of farm operations. While attending the higher institutions he spent his vacations on the farm, having direct charge of such phases of the work as small fruit and truck gardening. After graduating, in 1911, Mr. Sill accepted an appointment with the Bureau of Entomology, United States Department of Agriculture. In the fall of the same year he was transferred to the Office of Farm Management. Mr. Sill was teacher in a public school for one year.

Mr. Sill has been very successful in his work, having his county well organized and following his leadership in all programs and campaigns conducted for the advancement of agricultural conditions in the county and for increased production and conservation of food. Some of the outstanding features of this agent's work for this year are: Influenced the planting of 100 acres to navy beans; put 2,000 acres of waste land into grazing tracts for cattle and sheep; located a number of families on vacant farms; worked out a plan of labor exchange between farmers and a plan for securing for the farmers laborers from the city of Wheeling during emergency seasons of planting and harvesting; increased the acreage of corn and potatoes; increased the use of fertilizers, good seed, spray materials, and labor-saving machinery; influenced the introduction of breeding stock, cattle and sheep; secured the employment of better methods in feeding live stock and in the cultivation of crops.

Mr. Sill has the confidence of the farmers and business men in the county, and the work would suffer greatly if he were removed for any cause.

Statement made by Mr. F. S. Cooley, director of extension in Montana, regarding Mr. F. E. MacSpadden, who had been given deferred classification:

If Mr. F. E. MacSpadden, Cascade County agent at Great Falls, were transferred from class 3 to class 1, he would be unable to prepare and distribute 8 tons of poison oats, each pound of which kills an average of 40 rodents, each

of which consumes one-half bushel of wheat, amounting in the aggregate to 320,000 bushels of wheat. He would be unable to locate and distribute the 60,000 bushels of seed required for seeding 60,000 acres of food grains. He would be unable to provide for the distribution of labor on the 3,000 farms seeking harvest help. He would be unable to transmit the information from the United States Government to the people of his county, so important in keeping the proper war morale.

No one is available who is equipped by training and experience to take up Mr. MacSpadden's work. He is typical of 10 cooperative extension workers in Montana who have been given deferred classification by reason of their connection with agriculture and food-production work.

Statement made by Mr. O. D. Center, extension director of Oregon, regarding Mr. R. A. Ward, who has been given deferred classification:

To transfer Mr. R. A. Ward, county agent of Crook-Deschutes County, from class 3 to class 1 would remove from that county the man responsible for organizing and directing the rodent-control clubs and mixing the poisoned grain which destroyed jack rabbits and digger squirrels enough to save an additional bushel per acre harvested on more than 50,000 acres, or \$95,000 worth of grain; it would remove the man who organized the central Oregon Potato Growers' Association and assisted them in securing a market for 14 carloads of specially sorted potatoes at a premium of 65 cents per hundred over ordinary market prices, thus bringing to the growers over \$6,000 additional through the growers' organization; it would remove the man who last season was instrumental in placing over 400 men and women on farms and in homes which required additional labor to carry on regular farm operations; it would take from central Oregon the most active instrumentality in organizing and keeping in action a live-stock growers' and shippers' association that will this year improve the live stock of the range country covered through the introduction and use of nothing but pure-bred bulls and rams, as well as do a shipping business in wool and live stock of at least a half million dollars; and would take from the county the man who organized and made permanent a water-users' school, where each year lessons and demonstrations on irrigation and drainage are given.

It would be practically impossible to secure another man equipped by training and experience to take up Mr. Ward's work in central Oregon.

Mr. Ward is typical of eight cooperative extension workers in county-agent positions in Oregon who have been given deferred classification by reason of their exceptional assistance, their indisputable value, and their direct connection with conservation and food production.

Statement made by Mr. G. W. Randlett, former extension director of North Dakota, regarding Mr. Leon Anderson, who has been given deferred classification:

Mr. Leon Anderson was in Haakon County, S. Dak., as county agricultural agent when a sudden and severe outbreak of anthrax took place. At least 2,500 head of range beef cattle were known to be exposed. Mr. Anderson immediately organized a campaign for a scientifically accurate vaccination of these animals against this disease. The entire piece of work was completed within a period of six days. As a result the loss was reduced to about 50 head. It is variously estimated by people familiar with such instances that if the vaccination had not been performed there would have been a loss of at least several hundred head from this exposure. The result of this campaign shows clearly that many hundred pounds of beef were saved and hence added to the meat supply of this country. Similar instances in similar territory are liable to come up at any time.

Statement made by Mr. R. K. Bliss, extension director of Iowa, regarding Mr. Rex Yockey, who has been given deferred classification:

This year Iowa faced the most serious seed-corn situation in years. The farm-bureau organizations, through the county agents and in cooperation with the Agricultural Extension Department, conducted a thorough and careful canvass for good seed. As a result, Iowa reports show a better stand of corn than normal. In view of the fact that Iowa annually produces 10,000,000 acres of corn, the question of a stand is of great importance.

Rex Yockey, of Woodbury County, through the farm-bureau organization, located and distributed several thousand bushels of seed corn in his own county, besides sending corn outside the county. Mr. Yockey was deferred because of the great importance of the work which he was doing. Since the recent action of the House of Representatives Mr. Yockey has asked to be relieved from



county-agent work in order to enter the Army. This case is typical of a number of cases in Iowa.

In Iowa an average of 300 farmers belong to the farm bureau. The deferred classifications asked for county agents have been requested by the farm bureaus. Agents have been urged to do county-agent work as a patriotic duty, due to the food emergency. In all cases I am sure county agents though they were doing what the Government wanted them to do. They are not slackers, and if the Government wants them for Army service they are willing and glad to do such service. However, they are specially trained for county-agent work, and if they are now called to Army service others will have to be trained to take their places, with the inevitable result of disorganization and loss of time.

Statement made by Mr. Edward C. Johnson, director of extension in Kansas, regarding employees within the draft age:

With regard to the question as to why men within the draft age are used in agricultural extension work, I wish to give the following reasons:

The number of men over 31 years of age who have sound farm experience and a good technical training in agriculture is smaller than the number of men between 21 and 31 years of age. If they are aggressive and efficient they have become established in their own business and are making more money than they could possibly make by going into the agricultural extension service. If they are willing to go into extension work, it is either because they have failed in their business or, in rare cases, because of a liking for it, or for patriotic reasons. Those who enter this service after 31 years of age from patriotism or from special interest or liking for the work are comparatively few.

The younger men usually prove more effective than older men both in county agent and club work; they still have their mark to make. They have the ability and enthusiasm to stand the physical strain under which such men must work. They are in harness from early morning until late at night, and at that age enjoy the game. Their usual ambition is to make good in the work, to stay in it from three to five years, and to save money and to become farmers and established in their own business. The tendency, therefore, is for men over 31 years of age to go out of extension work rather than into it.

In Kansas we have literally combed the State inviting agriculturally trained men who have made good on their own farms to take up county-agent work from a patriotic standpoint during the time of the war. We have succeeded in getting a few men. The agriculturally trained recruits for this work, however, must come in the main from men between 25 and 31 years of age or the force will not be recruited.

For all practical purposes the competent agriculturally trained men above 31 years of age who can be secured for the salaries that can be offered are practically exhausted, and, therefore, in Kansas it has been found necessary to select candidates for the different positions from men within the draft age. The appointment request attached herewith comes within the above statement.

#### BUREAU OF MARKETS.

Deferred classification in class 3, division I, was requested in the case of Mr. Edward L. Markell on the ground of his employment in the Bureau of Markets. His local board, however, placed him in class 4, division A, on the ground of his dependant family.

Mr. Markell is our supervising inspector in the food-products inspection service in charge of the northeastern division, with headquarters at New York City. He received his B. S. degree in agriculture from Cornell University in 1912 and took graduate work in the same institution during the following year. He was appointed in this department in July, 1913, to assist in the transportation and storage investigations of fruits and vegetables. In this work he gained a wide experience in handling these commodities.

In Mr. Markell's present position he directs the work of the 15 inspectors in charge in his district, which includes the Food-Products Inspection Service in the important markets at Pittsburgh, Baltimore, Philadelphia, Buffalo, Boston, Providence, and New York. In addition to this he has the responsible direction of the very important inspection of fruits and vegetables for the naval supply ships loading at New York. Mr. Markell's previous training and experience makes him a specialist in the handling of perishables. The great value of the market-inspection service, especially during the present emergency, is conceded by those who are informed regarding the benefits which the farmers and shippers have received since its establishment last fall. Thousands of car-

loads of fruits and vegetables arriving at the larger markets would have been involved in serious controversy except for this Federal inspection service, a large part of which, as above indicated, is under Mr. Markell's direct supervision. A great many of these cars, possibly the majority, would have been allowed to stand on the tracks and spoil, resulting in a great waste of food. The inspection service of which Mr. Markell has the responsible direction in the cities mentioned, makes it possible to bring about quick adjustments of controversies between shippers and receivers, and results in the saving of large quantities of perishables.

Extreme difficulty is experienced in securing properly trained and experienced men as inspectors. Men fitted for supervising the work in positions like Mr. Markell's are practically unobtainable. The combination of education, training, and practical experience and knowledge of trade conditions needed here is seldom found in any person. Mr. Markell could not be replaced without material loss to the conduct of this work. It would be a most unfortunate occurrence if the department were to lose his services at this time or in the near future through the withdrawal of his deferred classification status, or for any other reason.

Mr. Clarence E. Coburn is one of the technical cotton men of the Bureau of Markets assigned to the large textile mills at New Bedford, Mass. He is qualified for this class of work by his textile education, training, and experience in cotton-mill work. On February 28 Mr. William S. Dean, who was in charge of the cotton-spinning tests conducted by this bureau to develop a suitable airplane fabric manufactured from cotton to replace the linen fabric now in use, resigned from the service. It then became necessary to call on Mr. Coburn to assume full responsibility and take charge of these important experimental tests on air-plane fabrics. Considerable progress has been made, with results so promising that it is contemplated to inaugurate additional tests to develop satisfactory balloon fabrics. Owing to the nature of Mr. Coburn's work and to the fact that he is indispensable in its successful prosecution, it is believed that it will be apparent even to one unfamiliar with the details surrounding his case that it would be a serious mistake and would result in a practical loss to the Government and to the public if his deferred classification was to be terminated at this time, or at any time in the near future.

Mr. Samuel H. Ray is in official charge of the Kansas City office operated in connection with the telegraphic market news service on live stock and meats. Beginning June 1, 1918, a telegraphic service was inaugurated covering the live-stock receipts and prices emanating from the Union Stock Yards at Chicago. All unofficial reports of this kind being abolished at the time of the inauguration of our service. These reports consist of a series of five messages sent over the leased wires at 6, 7, 8.30, 10.30 a. m., and at the close of the market daily. The Western Union and Postal-Cable Telegraph Cos., the Associated Press, United Press, and International News Service all have adopted our report for exclusive use in their commercial news departments. In addition to the responsibility of the Kansas City office Mr. Ray has been detailed to assist in the installation and development of this work in our Chicago office. He has a very complete knowledge of live-stock marketing activities, has devised original methods for securing and computing data which have been invaluable in the development of this service, and to a considerable extent is personally responsible for its successful development.

The importance of this market service on live stock and meats in the present world crisis is paramount, and Mr. Ray's loss at the present time or in the near future would seriously impair the success of the undertaking.

Mr. William H. Darrow is in charge of the local market-reporting service of this bureau at Providence, R. I. This service is seeking to encourage the consumption and conservation of locally raised products and assisting in the elimination of waste through efficient distribution of the local food supply. Through this service producers, dealers, and consumers are daily advised as to market conditions, and investigation has shown that farmers and housewives are availing themselves of this service, with the result that market conditions are being stabilized. Mr. Darrow has inaugurated and developed this local market-reporting service in Providence, R. I., where it is meeting with decided success. The results obtained during the past year prove that it is in no sense an experiment, and that it is of great importance, particularly when the season for locally produced vegetables and fruits is at its height.

Mr. Darrow's separation from the service would undoubtedly make necessary the abandonment of this work in Providence for a temporary period at least,

as the department is finding it practically impossible to secure efficient trained men for this service in the various markets.

Mr. Otto W. Schleussner is in immediate charge of the market news service on fruits and vegetables operated jointly with the Food Products Inspection Service on the Pacific coast. He exercises supervisory control over the permanent branch offices on the Pacific coast, including a number of the most important producing points. Mr. Schleussner also serves in an advisory capacity in considering general policies relating to the fruit and vegetable marketing activities of the bureau.

He has been in intimate association with this work since its inception. There is absolutely no other man in the bureau who combines so wide a knowledge of the production of fruits and vegetables with an intricate knowledge of the processes and agencies through which they are handled and distributed to the final consumer. Combined with this he has an extensive personal acquaintance in the fruit and produce trade, and enjoys the unlimited confidence of the trade.

The loss of Mr. Schleussner's services would seriously retard the progress of the work with which he is associated. At any time his separation would be keenly felt, but at the present time, when men of the necessary technical training and a knowledge of trade conditions to carry on even the elementary phases of the market news service are practically unavailable, it would be almost impossible to replace Mr. Schleussner.

#### FEDERAL HORTICULTURAL BOARD.

Mr. O. D. Deputy is in charge of the quarantine service of this department in relation to the pink bollworm at the port of Laredo, Tex. This service controls the entry of all cars, freight, and personal baggage from Mexico into the United States, and supervises the disinfection of such cars, freight, and baggage. The work requires a special technical training in entomology and technical training also in the methods and practices of fumigation and general disinfection. Under existing conditions the port of Laredo is the principal port of entry of cars and merchandise from Mexico, and Mr. Deputy has demonstrated a peculiar aptness for this work and is a man of unusual energy, ability, and tact. His accumulated experience and his demonstrated ability make him undoubtedly of much greater value in this service than he would be in work more directly connected with the war. The prevention of the entry of the pink bollworm of cotton through the agency of such traffic means the prevention of enormous future losses to the cotton crop of America, the production of which, furthermore, is a very vital war matter. Deferred classification would seem to be fully justified in this instance. Attention should be drawn to the fact in relation to Mr. Deputy that quarantine service is a service which, to be efficient, must be continuous and under the direction of experienced men and that its interruption or breaking in of new men involves a risk of the entry of the pest being guarded against, and nullifying of all previous work.

Mr. H. F. Dietz is one of the best trained and most competent inspectors in the service of the Federal Horticultural Board. In addition to specializing in his college work in applied entomology before coming into the service, he was assistant State entomologist of Indiana for two years, 1914-1916. He has been in charge of an important series of experiments to determine the best means of disinfection of plants and plant products imported either for commercial or introduction purposes. This work forms the basis for the quarantine and disinfection requirements enforced by the Federal Horticultural Board. Mr. Dietz has impressed all of the persons with whom he has come in contact in connection with this work as being a man of exceptional ability, thoroughness, and reliability, and his deferred classification is fully warranted.

Mr. U. C. Loftin is a graduate of an agricultural college where he received special technical training and has taken post-graduate work at a university leading to an advanced degree. Before coming into the service of this department he had several years experience as an assistant in experiment station work in Florida and North Carolina. He has been connected with the department since 1903, engaged in a study of sugar-cane insects. He demonstrated such abilities and resourcefulness as to lead to his selection to take charge of the station established in the Laguna district in Mexico for a study of the pink bollworm. These studies are to be the basis of control operations and are of the greatest



importance in relation to the future handling of the very serious pink bollworm problem. His loss at this time would interrupt this very valuable piece of work.

Senator KENYON. What percentage of these deferred men, Mr. Secretary, are clerks?

Secretary OUSLEY. None of them are clerks?

Senator KENYON. None of them at all?

Secretary OUSLEY. No, sir. In the District of Columbia, out of 199<sup>1</sup> deferred, only 8 are administrative assistants performing responsible executive work. For example, the chief clerk of the Biological Survey is one, and the administrative assistant in charge of the business operations in connection with grain-standards work is another. No men performing merely clerical service have been deferred at the department's request.

Senator SMITH of South Carolina. Would it be possible for you to furnish the committee a list of the men that have been put in the deferred classes, stating the work they are engaged in and why they have been deferred?

Secretary OUSLEY. I do not think it would be possible in any reasonable time, Senator.

Mr. HARRISON. That was requested by a House resolution adopted a few days ago, but it will hardly be available in time for consideration by the committee.

Senator SMITH of South Carolina. Could you give a general idea of the number by States and the class of work they are in?

Secretary OUSLEY. Yes, sir.

Senator SMITH of South Carolina. That would be very helpful, and I think you might do that in a reasonable length of time.

Secretary OUSLEY. We can do that. It may not be precisely accurate, but we can get that to you within 48 hours.

(The statement referred to is here printed in full, as follows:)

*Statement regarding deferred classification of employees of the Department of Agriculture, by States.*

States.	Number of employees in bureau.	Number of men of draft age.	Deferred classification recommended and still in department's service.	Deferred classification recommended and also deferred for other reasons.	Deferred classification not recommended by department, but deferred for other reasons.
Alabama.....	212	49	21	1	13
Arizona.....	176	63	18		3
Arkansas.....	219	72	23	1	18
California.....	720	235	49	9	38
Colorado.....	509	149	48		10
Connecticut.....	77	34	12	4	4
Delaware.....	21	13	2		1
Florida.....	405	132	14		70
Georgia.....	268	102	21	2	18
Idaho.....	283	107	37		17
Illinois.....	906	229	37	4	30
Indiana.....	382	166	21	1	20
Iowa.....	438	164	50	1	25
Kansas.....	357	110	39	4	26
Kentucky.....	150	66	18		10
Louisiana.....	265	109	58	9	15
Maine.....	64	25	13		2
Maryland.....	287	72	15	4	11
Massachusetts.....	290	100	15		17
Michigan.....	266	91	10		12

<sup>1</sup> Later information shows 191.

## Statement regarding deferred classification of employees of the Department of Agriculture, by States—Continued.

States.	Number of employees in bureau.	Number of men of draft age.	Deferred classification recommended and still in department's service.	Deferred classification recommended and also deferred for other reasons.	Deferred classification not recommended by department, but deferred for other reasons.
Minnesota.....	401	164	28	2	26
Mississippi.....	197	107	71	1	17
Missouri.....	362	112	18	7	11
Montana.....	366	138	57	2	23
Nebraska.....	407	142	36	1	23
Nevada.....	64	20	6		
New Hampshire.....	57	33	7		2
New Jersey.....	155	38	6	1	7
New Mexico.....	222	76	27		2
New York.....	669	288	77	8	52
North Carolina.....	231	92	29	5	11
North Dakota.....	149	54	7	1	9
Ohio.....	358	133	24	4	34
Oklahoma.....	231	57	13	2	23
Oregon.....	359	120	29	3	7
Pennsylvania.....	301	124	21	10	31
Rhode Island.....	68	33	6	1	6
South Carolina.....	175	63	17	2	7
South Dakota.....	188	97	36		6
Tennessee.....	175	85	44	3	10
Texas.....	617	179	34	9	53
Utah.....	289	106	29		5
Vermont.....	47	38	16		2
Virginia.....	236	89	31	4	14
Washington.....	315	102	36	4	14
West Virginia.....	151	83	35	1	25
Wisconsin.....	464	201	16	1	13
Wyoming.....	142	52	29	1	
Alaska.....	31	8	1		1
Hawaii.....	22	9	5		
Philippines.....	5				
Porto Rico.....	22	3	2		
District of Columbia.....	3,857	917	191	82	361
Foreign and miscellaneous.....	12	2			
Total.....	17,641	5,855	1,505	195	1,155

<sup>1</sup> Incomplete.<sup>2</sup> 108 in Forest Service not included. (See attached note.)<sup>3</sup> 103 in Forest Service not included. (See attached note.)

NOTE.—One hundred and eight men in the Forest Service who were deferred on the department's recommendation, and also because of reasons personal to the men, are not included in the fourth column of the statement, as the information by States was not available.

One hundred and three men in the Forest Service who were not recommended for deferred classification by the department, but who were deferred by the draft boards for reasons personal to the employees, are not included in the last column, as this information by States was not available.

Senator KENYON. We can say on the floor, if the spirit moves us, that none of the men in those deferred classifications are clerks sitting around in these offices?

Secretary OUSLEY. Yes, sir. There are only eight administrative assistants performing responsible executive work; the others are scientific and technical employees and field workers.

Out of 17,641 men, of whom 5,855 are within the draft age, only eight administrative assistants in the District of Columbia, and no employees performing merely clerical service have been deferred.

In conclusion, by way of summary, let me remind you of some of the points I have just covered. This is a selective-service act, and, if it means what we proclaim it to mean, it means that every man in

this Republic—every woman, so far as that is concerned—should be assigned to whatever thing he is best qualified to do. In view of the recital I have made, I submit that it would be poor statesmanship, almost calamitous, to drive such men as I have described from these vital things that they are doing, particularly when in every hotel in every town and village in the United States there are able-bodied men who can fight with a gun, who can dig trenches, and who are now waiting on tables, driving pleasure cars, running elevators, bothering you to death when you get to the hotel or around the station to carry your bag when you want to carry it yourself, brushing your clothes until they almost wear them out when you do not want them brushed.

I say it would be mistaken statesmanship, calamitous statesmanship, to destroy or seriously impair this great service, when there are so many men available in that way, particularly since we have announced the policy of selective service.

Furthermore, these deferred classifications are not made by the Secretary of Agriculture; they are made merely on his recommendation, and the final authority and the whole responsibility rests upon the district boards. They have full authority to decline to accept his recommendation, and the effect of this amendment is to take that authority out of their hands.

Senator KENYON. No man is deferred unless the Secretary certifies him to the board?

Mr. HARRISON. The Secretary passed on every case personally, although under the regulations he could have designated persons in the field to make recommendations to the draft boards, as other departments have done.

Secretary OUSLEY. I do not mind saying—and I think I ought to say—that Secretary Houston has maintained as watchful and as firm a policy as it is possible for a man to maintain, and he has declined to recommend the deferment of some men that I myself recommended, and I now see the wisdom of his course.

Senator NORRIS. I think the Congress wants to know, and the country has a right to know, if it is a fact that there is never a case of deferred classification or recommendation for deferred classification for the purpose of keeping anybody out of actual fighting on account of personal relationship or other relationship or any reason why they want to confer a particular favor and keep somebody out of the trenches who ought to be in the trenches.

Secretary OUSLEY. Such an insinuation—

Senator NORRIS. I do not know that such charges have been made in regard to the Department of Agriculture, but the thing I want clear in my mind is that in the Department of Agriculture the deferred classification has without exception been asked on the merit of every individual case and not because of somebody having a pull. When that is demonstrated, if it can be demonstrated, I do not think there will be any dissatisfaction with the course you have taken. The course you have taken, as you have outlined it, is very fine, but that must be made plain.

Secretary OUSLEY. Senator, I would not undertake to say that out of 2,503 cases that have been considered no mistake has been made, because that would be to attribute infallibility. I would not under-



take to say that there is not a single case of a man who might not be spared without serious detriment, because that would imply infallibility.

Senator NORRIS. Do you know of any case or has any case been brought to your attention in which deferred classification came about because of pull?

Secretary OUSLEY. I never have seen one. I never have heard of one. I will say, furthermore, that, if a single case can be found that is in the least degree dubious as to the actual necessity for the deferred classification of the man, the Department of Agriculture will not only withdraw its request for deferment but the Secretary of Agriculture will reproach, if he does not disgrace, the man who attempted to put over such a thing. Not only that, Senator, but Secretary Houston has withdrawn requests for deferred classification in several cases where men have been transferred from one bureau to another, or from one service to another, where in the new service he was not necessary.

This act especially authorizes the President to exclude or discharge from the draft certain persons. There has been no attempt to invoke that authority at all. The selective-service regulations authorize the heads of departments to recommend or to designate people to recommend. The Secretary has been so careful that he has exercised this function himself and has personally examined every case.

It is necessary for the department, under the food production act, to greatly increase its forces. That is the same act you are now considering. It has been extremely difficult to get the necessary number of trained men because so many of these young men prefer to go into the Army and get commissions, and we have actually begged them not to go into the Army.

The department has lost 6,048 regular employees since the United States entered the war, as follows: Men, 5,090; women, 958. Of these, 4,511 employees, including the 958 women, have left the department to engage in other occupations, and 1,537 have entered the military service.

Senator SMITH of South Carolina. Secretary Ousley, the Secretary of Agriculture in his brief setting forth his side of this question has divided it into heads. You have given us a general summary. You have men here doubtless who are intimately acquainted with the details?

Secretary OUSLEY. Yes; these gentlemen can testify as to the several bureaus.

Senator SMITH of South Carolina. As Assistant Secretary, you can help the committee by designating which one should be heard first.

Secretary OUSLEY. As the man most intimately related to the obvious war activities of the department, I should like for Mr. Brand to tell you what his experts are doing.

Senator SMITH of South Carolina. Very good; we will hear Mr. Brand now.

Dr. Brand, will you please state your official connection with the Department of Agriculture and give such facts in reference to this matter as you desire?

**STATEMENT OF MR. CHARLES J. BRAND, CHIEF OF THE BUREAU OF MARKETS, UNITED STATES DEPARTMENT OF AGRICULTURE.**

MR. BRAND. Mr. Chairman, I am chief of the Bureau of Markets in the Department of Agriculture. We have 1,104 male employees, and of that number 516, or almost half, are within the draft age. The Bureau of Markets was established five years ago last month. Prior to its establishment practically no work of the character which it is now doing was done, and of necessity practically all of these men, the best men, have been trained within that period and are young men. One hundred and fifty-one men in the bureau were recommended for deferred classification.

Senator SMITH of South Carolina. Out of how many?

MR. BRAND. Out of 516 of draft age and 1,104 men employed in the bureau. Of those 151 the local or district boards granted deferred classification to 100. Of those 100 there are 16 who are also deferred for other reasons, leaving 84 deferred on the face of it solely for the reason of service in the bureau. However, 24 more of these men had personal reasons, such as wives, families, or disabilities of various character, upon which the boards might have acted had they so chosen, leaving a net of 60 men out of 516 who have deferred classification for no other reason whatsoever than the request of the department on the ground of their essential use in the department.

Senator NORRIS. As to those 24, what reason have you for making the statement you have made that they might have been deferred for other reasons? What does the record show about it? Did they ask for deferment?

MR. BRAND. The boards were very diverse in their action. We would request a 3-I classification for a man, and they would return a 4-A. In other words, they would act upon other grounds submitted in the questionnaire rather than upon the affidavit of the Secretary of Agriculture. In the 24 cases to which I have referred, some grounds were stated in the questionnaire, but the board apparently elected to act upon the affidavit and did not act upon the others.

Senator NORRIS. Of course, you do not know how many of those would have been sustained if the boards had acted on them?

MR. BRAND. No; that is very true. That is why I used the particular phraseology I did, that they appeared to have acted upon the affidavits rather than upon the other reasons.

Of the total number, 516, who are within draft years, 207 for whom no deferred classification was asked and a number for whom deferred classification was asked, were deferred by the boards for other reasons. Of the 51 for whom I recommended deferred classification and for whom it was not granted, 15 have since left the service, a number of them having entered the military service.

Senator SMITH of South Carolina. Let us get that clear. There were 51 for whom you asked deferred classification?

MR. BRAND. There were 51 for whom I asked but for whom the local boards did not grant the deferred classification. Of those 51, 15 have left the service, a number of them having gone into the military service, leaving 36.

Senator SMITH of South Carolina. Thirty-six who have not gone in, and yet were within the age limit?

Mr. BRAND. Yes; and I might say that only yesterday three of my men announced to me that they were going in, and last night I had a telegram from one of our men in our Chicago offices saying that he had entered the service yesterday. That is the direct result of the strictures these young men feel they are under because of the amendment we are now discussing.

Senator KENYON. What are you going to do about it? Are you going to quit work because these men entered the service?

Mr. BRAND. We have to quit work. In our grain work alone we are short 60 grain samplers and 20 grain supervisors. We have combed the United States three times to get men capable of doing that work, and we have been compelled, so far as we have selected them at all, to take men of relatively mediocre ability in order to do the tasks imposed upon us by law. I might say that my bureau has lost, including the man who went into the service yesterday, 132 men.

Senator KENYON. Suppose the war goes on, and they all have to go; what is going to become of your bureau?

Mr. BRAND. We are going to do the best we can with the men we can get. It is going to make it difficult to get along with the exceedingly important work we are doing, but we will do it the best we can.

Senator KENYON. Is there any of this work that can stop?

Mr. BRAND. Our law-enforcement work particularly can not stop. Some parts of our activities we have stopped; for instance, our cotton-testing work. Instead of going ahead with our usual investigations of cotton strength and things of that sort, we have turned the force over to the investigation of airplane cloths, working under the Signal Corps. So also with respect to our inspection work. A large part of our foodstuffs, particularly the fruits and vegetables and things of that character, used by both the cantonments and the over-seas forces, are inspected by our inspectors.

Senator NORRIS. There is nothing in the regulation just made by the President or the Secretary of War that will absolutely prohibit a man from going into the military service in cases where it is deemed by the officials that he can do better work in some other particular line?

Mr. BRAND. There is nothing to prevent a man from going in, although I have pleaded, just as Col. Ousley has pleaded, with my men not to leave those essential services. There is nothing to prevent a man from going into the military service, and many of my men have done so in spite of my urgent request.

Senator NORRIS. You have a man in your department, say, that it is conceded you can not dispense with; he is more valuable there than he could possibly be in the trenches. There is no regulation now that would prevent that man from just arbitrarily quitting and refusing to permit anything to be done in his behalf to get him deferred?

Mr. BRAND. No.

Senator NORRIS. So that these men, if they feel as you say many of them do, can quit your service in spite of everything that can be done and go into a less useful service?

Senator KENYON. Could not the President assign him?



Secretary OUSLEY. If he enlists, the Secretary of War can assign him to such work; but there is nothing to prevent his enlisting.

Senator NORRIS. I am speaking of the draft act entirely. In other words, nobody can make a claim for deferred classification for a man without his consent?

Secretary OUSLEY. A claim could be made by others and the district boards could act on it, but they are not likely to ignore the man's request to enter the service.

Mr. BRAND. I want to say that in no case was the question of whether a man was to have an affidavit filed asking for his deferred classification taken up with him in advance, and in no case were his personal preferences consulted in the slightest degree.

Senator NORRIS. I understand; but I am of the opinion that where it is conceded a man can do more good as a chemist, if he is within the draft age, he ought to be absolutely prohibited from going anywhere else.

Senator KENYON. He ought to be made to go where he can do the best for his country.

Senator NORRIS. Yes, sir; without regard to how he feels about it. We compel men to go into the trenches, and we ought to compel chemists to go into the laboratory if we need them there. I did not ask my question in any spirit of criticism; but I think there ought to be—and there could be under the law as I understand it—a regulation of the department that would prohibit these men from going into the Army.

Mr. BRAND. Some of them lately, especially since this amendment came up, have taken a strong-headed course, and there is nothing to prevent that. Last week one of them went into the aviation service in the Navy, a man whom we can not replace. He is a graduate of the State agricultural college of Iowa, where he was assistant professor of horticulture for several years. His brother happens to be president of one of the agricultural colleges. He is a man we can not replace. He has absolutely taken the bit in his mouth and has gone into the service.

Senator SMITH of South Carolina. What we want to do first is to get this testimony, and these legal aspects of the matter we can take up later. What we want you to do, Dr. Brand, is to give us the facts in reference to the implied charge in this amendment, that you have some slackers that you have aided and abetted.

Senator KENYON. Did any of these men that were deferred ask to be deferred?

Mr. BRAND. Absolutely not a man. If a man had asked, it would be sufficient reason for not asking for his deferment.

Mr. HARRISON. That is true throughout the department. If the Secretary suspected for a moment that a man had asked that a request be made for his deferment, he would have promptly disapproved any such recommendation in his case.

Mr. BRAND. Not only that; a man in our Philadelphia grain office stated to his superior officer that if it were not for the draft he would resign. He had been given deferred classification, and we promptly withdrew the affidavit.

Senator NORRIS. I think that was right, but, on the other hand, it does not seem to me that simply because he did that you ought to withdraw your affidavit if you needed him. The man himself knows. If

I were an expert chemist I would not have to have anybody tell me that I could do more good in the laboratory than I could in the trenches.

Mr. BRAND. If we allowed a man to say that twice, it would blacken the character of the service, in my opinion, to allow a man to remain in it who had made what I consider a disloyal remark.

Senator NORRIS. But it would blacken the service for a man who could construct a shell that could kill 200 Germans to go into the trenches and perhaps kill only one. You have to go up against criticism: you must expect to get it. That is what the rest of us find.

Mr. BRAND. That summarizes the situation in my bureau.

Senator SMITH of South Carolina. Col. Ousley, will you indicate the next bureau representative to be heard.

Secretary OUSLEY. I would like Dr. Mohler to testify as to the trouble he has had with his men.

Senator SMITH of South Carolina. Dr. Mohler, will you please state your official connection with the Agricultural Department?

**STATEMENT OF DR. JOHN R. MOHLER, CHIEF OF BUREAU OF ANIMAL INDUSTRY, UNITED STATES DEPARTMENT OF AGRICULTURE.**

Dr. MOHLER. Mr. Chairman. I am chief of the Bureau of Animal Industry at the present time.

In our bureau there are 4,942 male employees. Of these employees, 979 are within the draft age. Requests have been made by the department for deferred classification of 539, or 55 per cent of the men within this draft age. Of these 539, 31 were put in deferred classes on personal claims also, mostly classes 4 and 5, on account of being married, having mothers to support, etc.

Only 219 of these 539 men were deferred on the department's request, including the 31 just referred to. Since these men received deferred classification, 41 have resigned from the bureau's service, principally to go into the Army, and we still have to hear from the few remaining men of the 539 mentioned. We are getting these records for the balance of the men as rapidly as possible.

Secretary OUSLEY. I wish you would tell the committee in a brief but comprehensive way just what the Bureau of Animal Industry is doing in relation to the war. I want to show the importance of that service to the war.

Dr. MOHLER. In general, the major efforts of this bureau, intensified during the past year to meet war needs, have been directed toward stimulating the production of meat, dairy, and poultry products; utilization of these foods in the most economical way; suppression of animal diseases causing an estimated loss of \$212,000,000 annually; investigating the wisest use of available feedstuffs for live stock; and encouraging the more general raising of farm animals. One of the most important lines of work we are doing now, which is an extension of our regular work, is in meat inspection. At the present time there are 90 vacancies among the veterinarians and 95 vacancies among the lay inspectors of the meat-inspection force. This work is not only for the public in general but also for the Army and Navy. We have 67 of our men stationed at the various cantonments and camps for reinspection of the meat as it is issued

to the military forces at the cantonments, and about 30 men stationed at the various naval training stations and ports for the re-inspection of meat issued to the Navy. The vacancies in the meat-inspection service are seriously handicapping the work.

Senator SMITH of South Carolina. In your opinion, Doctor, what are the chances for a repetition of the "embalmed beef" episode that occurred in another war?

Dr. MOHLER. I do not see, Mr. Chairman, how it is going to be possible to have any repetition of that occurrence under the present law and regulations. We are endeavoring in every way possible to see that it does not occur. Chemical analyses are being made constantly of all orders of meat-food products consigned to our military forces, and this work is given priority over everything else by our various meat-inspection laboratories.

Senator SMITH of South Carolina. To what extent does your meat inspection go, particularly along the line of supplying meat to the military forces?

Dr. MOHLER. First, the Army and Navy have specifications providing that no meat can be issued to either of these forces except that which has been inspected and passed by the bureau. That work starts with the living animals. Our inspectors are stationed at all the large packing-house centers, where they first make antemortem inspections of the animals. After the animal has been passed as healthy on the hoof it is slaughtered and reinspected post-mortem. The process of inspection is then carried from the slaughtering operations down through the various processes of cutting, curing, salting, pickling, making into the various canned meats, sausages, salt meats, smoked meats, pickled meats, and things of that kind.

Senator SMITH of South Carolina. Is that done exclusively by the inspectors from the Department of Agriculture?

Dr. MOHLER. Yes, sir; that is done entirely by the Department of Agriculture employees.

Senator NORRIS. Those are employees under your bureau?

Dr. MOHLER. Yes, sir.

Senator NORRIS. You come in close contact with the packer in your inspection work?

Dr. MOHLER. Yes, sir.

Senator NORRIS. Do they have inspectors also that work with yours?

Dr. MOHLER. No. They have men that are skilled along their particular lines of commercial meat packing, but they are not inspectors at all.

Senator NORRIS. What connection has your bureau or any of the employees of your bureau with the packing houses?

Dr. MOHLER. None at all, excepting in the inspection and supervision of the carcasses and products which are prepared by the packers.

Senator NORRIS. You work in connection with them in that work?

Dr. MOHLER. In connection with them, but in a supervisory way entirely, separate and apart from their force of men. Our inspectors may be likened to policemen mingling with but distinct from the people they are overseeing.

Senator NORRIS. They have men doing the same thing you do?



Dr. MOHLER. No, sir; they have no veterinary or sanitary inspection. All the inspection the men I presume you refer to would do would be purely from a commercial standpoint as to the amount of salt in their pickle, the proportion of sugar, the period of curing and smoking, and things of that character.

Senator NORRIS. Is that work that your men do also?

Dr. MOHLER. For the Army we are doing that particular line of work.

Senator NORRIS. In your inspection at any place would your inspector work side by side with an employee of the packers doing the same work?

Dr. MOHLER. Not the same work at all. One of our lay inspectors would be examining and supervising the work that perhaps 40 of the packers' employees are doing. One veterinary inspector may be examining carcasses for diseases on a killing floor where 50 butchers are at work.

Senator NORRIS. You men have no authority as to what was done? They would simply report what was done?

Dr. MOHLER. Our men would have every authority so far as the wholesomeness of the meat was concerned, the sanitary condition of the building, the methods of preparing meat products, the system of labeling, etc.

Senator NORRIS. The packing-house people have various inspectors. have they not?

Dr. MOHLER. Not that I know of; they do not call them inspectors.

Senator NORRIS. Whatever they are called, they are doing the same work. For instance, as to how much salt should be used, would they have somebody that would decide that, or would it be decided by your men?

Dr. MOHLER. Entirely by the packing-house men, unless we were seeing that certain Army specifications were carried out.

Senator NORRIS. Suppose in carrying out that specification the question should arise as to whether a certain carcass should be rejected or not?

Dr. MOHLER. Our men handle that entirely.

Senator NORRIS. Do they have any men there to look after the same thing?

Dr. MOHLER. Not at all.

Senator NORRIS. In other words, for that work the packers depend entirely upon your employees?

Dr. MOHLER. Yes, sir; and the judgment as to whether that carcass should be passed or not depends entirely upon the Government employee.

Senator NORRIS. Does not the packing house have somebody there looking after the same kind of work?

Dr. MOHLER. They have their managers, superintendents, floor bosses, and employees of that kind who sometimes object to the decision made by our inspectors.

Senator NORRIS. Exactly. What happens then?

Dr. MOHLER. If it is a case of criticism of the inspector on the floor, it is carried to the inspector in charge, and he makes a decision.

Senator NORRIS. And his decision is final?

Dr. MOHLER. No; it can be carried up to Washington by the packer if he still believes the decision of the inspector in charge is not satisfactory.

Senator NORRIS. Have you any men in your bureau who have come to your bureau from the packing houses?

Dr. MOHLER. Yes, sir; some of the lay inspectors in some of the packing houses.

Senator NORRIS. How many of those have you?

Dr. MOHLER. We have probably 600.

Senator NORRIS. Have you any men in your employ receiving a salary now from any of the packing people?

Dr. MOHLER. No, sir; that is prohibited; it is a violation of the law and regulations.

Senator NORRIS. What proportion of your men that are passing on the meat that is furnished by the packing houses to the Government, or anything else in connection with the relationship between the Government and these packing houses, were formerly employed by the packing houses in the same line of business or something similar?

Dr. MOHLER. We have about 2,600 men engaged in our meat-inspection service, and about 600 of those are lay inspectors that had previously been employed by packers in a similar line of work.

Senator NORRIS. When you get more men, do you get them out of that class?

Dr. MOHLER. No, sir.

Senator NORRIS. Where do you get them?

Dr. MOHLER. At the present time we are getting them principally from the farm. We have a regular examination for lay inspectors. They must have had three years of agricultural experience in handling animals or meats, and the majority of these new employees are coming from the farm. The reason for the large proportion of our men being formerly employed in the packing houses is that when the law went into effect in 1906 providing for the inspecting of meat from the "hoof to the can," it was necessary for us to get a large force of men quickly to put the law into effect in October, 1906. Almost 100 per cent of the men that came into the service in 1906 were men that had had packing-house experience, and we have a number of those left.

Senator NORRIS. In what connection did they work for the packing houses before you got them?

Dr. MOHLER. They were, as a rule, men in charge of lard departments, oleo departments, canning departments, salt cellars, or pickling departments—men that had risen to the higher positions in the packing houses.

Senator NORRIS. Did you get them by paying an increased salary?

Dr. MOHLER. Probably at that time there was a slight increase of salary. Since that time our salaries are very much lower than the packing houses are paying, and we are losing many men because of that fact.

Senator NORRIS. Are you losing men from your bureau going into the employ of the packing houses?

Dr. MOHLER. Yes, sir; we are losing our lay inspectors very largely on account of their going to the packers.

Senator NORRIS. When you lose one of those men, does he remain there where you have used him and do the same kind of work?

Dr. MOHLER. No, sir; it is a different kind of work, and very frequently the man goes into another place. I would like to say that when we took these men in 1906 who had had packing-house experience, we were careful to see that they were not placed in charge of the product of a firm for whom they had worked.

Senator NORRIS. But you could hardly put them in charge of the product of a firm that was not connected with the firm for which they had worked?

Dr. MOHLER. Oh, yes. In Chicago, for instance, we would not employ a man from the Armour plant, for example, and put him back into the Armour plant in our service.

Senator NORRIS. But if you took him from the Armour plant and put him into the Swift plant, it would not make any particular difference, would it? If you took him out of one of those plants, you would necessarily have to put him in one of the other big plants, would you not?

Dr. MOHLER. Not in a place like Chicago.

Senator NORRIS. In any place. Does not the Government get most of its meat from the five big packing establishments?

Dr. MOHLER. The five largest establishments supply the larger proportion of the meat of the Government, of course.

Senator NORRIS. If you should get an employee from one of those plants, you would pretty nearly have to put him in another one of the big five, would you not?

Dr. MOHLER. No; we have 471 different independent firms that have inspection. We could change him around among those.

Senator NORRIS. If you did that, then, in order to get enough to go around, you would have to get a whole lot from these so-called independent packers and put them in the packing houses of the larger establishments, would you not?

Dr. MOHLER. You must understand, Senator, we are not getting all these men from the big packing houses; we probably have 600. But I am stating the conditions that obtained in 1906, when it was necessary to increase our force tremendously at the very beginning, and we could only get men from firms doing the kind of work in which we wanted to have our men trained. So we took these men from the heads of departments of different packing houses. They made application in due form and passed the civil-service examination before they were appointed. They are transferred at regular intervals from one house to another and sometimes to another station to improve the service.

Senator RANDELL. Continue your statement, Doctor, in your own way.

Dr. MOHLER. Another activity which we are intensifying on account of the war is the work in tick eradication. Last year we released from quarantine the largest number of square miles of clean territory that has ever been taken out, namely, 70,000 square miles; and we are now short about 10 veterinarians in this particular work despite the fact that we are endeavoring this current year to clean up 100,000 square miles.

The same thing obtains in connection with hog cholera. We are intensifying the regular work in the control of hog cholera, on account of the efforts being made to increase hog production 15 per



cent, but we are handicapped because of the fact that we are 15 veterinarians short in this emergency hog-cholera work.

In the animal-husbandry work, which is responsible for the efforts being conducted to increase the production of beef, sheep, hogs, and poultry, there are at present 20 vacancies. In the Dairy Division, which is endeavoring to increase the dairy products of the country and especially to find various dairy substitutes to take the place of meat, we have 16 vacancies. The tuberculosis eradication division and the virus serum control office have urgent need for 9 additional veterinarians.

In the smaller divisions of the bureau, like the Zoological Division and the Biochemic Division, we are short two zoologists and one chemist, both zoologists having of their own volition entered the Sanitary Corps of the Army. Altogether, there are at present 124 vacancies among the veterinarians and 137 vacancies among our expert, technical employees.

In fact, we are in such dire straits in our meat-inspection service that we have started to employ women. We are now employing over 50 women in the big packing-house centers, like Chicago, Omaha, and Kansas City, to take the places of some of these lay inspectors. They are doing very satisfactory work thus far. They are in charge of the dried beef departments, oleo departments, and canning departments, where sanitation is the essential feature of the work.

Secretary OUSLEY. They could not perform the service of the expert veterinarians.

Dr. MOHLER. Not at all.

Senator RANSDELL. Doctor, can you attach to your statement a memorandum of the occupations which these persons were engaged in for whom you have asked deferred classification and for whom it has been granted?

Dr. MOHLER. Yes, sir. Two hundred and thirty-seven, or about 50 per cent of them, are veterinarians in the service, 180 are skilled lay inspectors, 55 are animal husbandmen, 57 are dairy experts, and 10 are laboratory specialists, like bacteriologists, pathologists, chemists, etc. Deferment was not asked for any clerks.

Right in this connection I wish to state that at the present time there is no eligible list of veterinarians or lay inspectors. We have exhausted the eligible list for both of those classes of employees, and we have suggested to the Civil Service Commission that on the next examination they increase the age limit so that we will have an opportunity of getting men that are from 31 to 45. At the present time the age limit is 41 years.

Practically all the veterinary graduates of this spring have been taken by the Army: they are in the Medical Reserve Corps. Heretofore we have been able to replenish our forces by taking the graduates of the veterinary colleges in the spring, but this year they have been claimed by the War Department.

Senator NORRIS. Do you know whether the War Department is short of veterinarians?

Dr. MOHLER. They are not short of veterinary officers at present; but they are short of the enlisted personnel. These graduates are going into the enlisted personnel.

Senator NORRIS. Do they follow their profession in the Army?

Dr. MOHLER. Yes, sir; they are in the veterinary corps of the Surgeon General's Department.

Senator NORRIS. I had an idea that the cavalry branch was so small they would not need very many.

Dr. MOHLER. But there are more horses in the other branches, Senator, than in the cavalry branch, under present conditions.

Senator NORRIS. What work do they do in the Army for which their veterinary education has peculiarly fitted them?

Dr. MOHLER. They are engaged in the treatment of animals which are connected not only with the Cavalry service but also with the Infantry service under present conditions, the Artillery service, the wagon trains, etc., and they are also assisting in the reinspecting of this meat after it gets into the camps and cantonments. That is another one of their functions which we are encouraging and on which we are having conferences almost weekly, to see that the meat after it gets into the camps does not deteriorate and become unfit for food purposes.

The point I wished to make was that, instead of getting men enough for the veterinary college graduates of 1918, we will not be able to get any, because practically all have been taken into the veterinary service of the Army.

Senator RANSDELL. Then, that source does not supply the Army's demands, does it?

Dr. MOHLER. No, sir. They want 18,000 enlisted men to act as farriers and nurses and in similar capacities, which work will be taken up by these young men having practical experience. They have a sufficient number of veterinary officers for the number of positions they have. I believe they have one officer for every 400 horses, and they now have approximately 350,000 horses and mules. But it is in the enlisted personnel, the men who have to make up the prescriptions and do the bandaging and things of that kind, where they are short. The boys from the graduating classes this spring are entering that service, which keeps them from coming into our bureau.

The prospects look very bad. There are only 21 veterinary colleges in this country. In the last six weeks three of them have closed their doors, and there are prospects of three more closing on account of the scarcity of students. So this time next year conditions will be worse than they are to-day.

Senator NORRIS. About how old are these veterinarians, as a rule, when they graduate?

Dr. MOHLER. They have usually reached from 22 to 24 years.

In asking for deferred classification in our bureau we have followed the general policy of not requesting any deferment for men under 25 years of age or for those who have entered the service since the war was declared, April 6, 1917. With few exceptions we have followed that policy as to these 539 men; as a rule, they have been in the service since before the war was declared and are more than 24 years of age.

In concluding I wish to state that our bureau already has been seriously handicapped by the loss of 1,312 men and 55 women since the war was declared. They have either entered the military service or have engaged in the more remunerative industrial occupations.

But our work would be still further crippled if we should have to lose the services of those loyal and efficient employees who did not seek deferment, but for whom deferred classification was conscientiously requested after careful selection, on account of the essential character of their work, its direct relation to the existing emergency, and because of the great difficulties we have experienced in securing the services of men of similar training and efficiency.

Secretary OUSLEY. I would like for Dr. Alsberg to make a brief statement as to his bureau, and then, unless the committee wishes some special information, we will not volunteer anything further, because I am afraid of prolonging your session beyond reason. We can furnish any amount of information from these other gentlemen here, but I think we will have given you all you will need.

Senator KENYON. You recall, Col. Ousley, that Mr. Knapp gave us some figures a few minutes ago as to the county demonstrators. I think we would like to hear further from Mr. Knapp on that.

#### STATEMENT OF DR. CARL L. ALSBERG, CHIEF OF BUREAU OF CHEMISTRY, UNITED STATES DEPARTMENT OF AGRICULTURE.

Secretary OUSLEY. Doctor, I would like for you to state to the committee, briefly and comprehensively, something about the scarcity of trained chemists and what particular war activities your bureau is conducting.

Senator NORRIS. To preface that, Doctor, tell us a little about yourself.

Dr. ALSBERG. I came from New York City, and have been in the Department of Agriculture about 10 years. The last five years I have been Chief of the Bureau of Chemistry in the Department of Agriculture.

Senator NORRIS. Perhaps you may be embarrassed in stating it, but what was your education, where did you go to school, and what degrees have you?

Dr. ALSBERG. I went to Columbia College, where I got my bachelor's degree in the arts in the year 1896, and then a master's degree in biological sciences, also at Columbia University, in 1900. I received the degree of doctor of medicine there in 1900. I then went abroad for the greater part of four year, studying chemistry, physiological chemistry particularly, and medicine. I was in Strasburg, Berlin, Hamburg, and Frankfort studying chemistry and biochemistry, and then came back home to the United States to become an assistant in the Harvard Medical School, where I had charge for three years of research work in biological chemistry. After I had been there a few years they made me head of the department of chemistry in Harvard Medical School.

I resigned from there in the fall of 1908 to come to Washington. I was offered a research position in the Bureau of Plant Industry, which I took, and I was in charge of a chemical laboratory in the Bureau of Plant Industry for four and a half years. Then when Dr. Wiley's position as Chief of the Bureau of Chemistry was filled I was promoted by transfer from the Bureau of Plant Industry to Chief of the Bureau of Chemistry.



The Bureau of Chemistry is in a particularly lamentable condition in reference to trained men. I am not going to give you detailed statistics; they will be found in Col. Ousley's statement which will be printed in the record. We are in a more lamentable position than some of the other organizations, because the drain on us has been very heavy—because we have lost so many mature, advanced men directing important lines of work.

That drain has been particularly severe for two reasons; because of the needs of the Army and because of the industries. In the first place, anybody that is a trained chemist can at the present time get a position in industrial work at a salary that he would not have dreamed of five years ago, and those of the older and maturer men who have no resources except their salaries and who have families have in some cases felt it their duty to their families to accept industrial positions.

Then, the War Department has drained us of such men in another way. The Army has come to us, in the first place, to organize some work for the War Department, and then, when we have assigned some of our best men to that work and have organized it, the War Department has commissioned these men, taken them out of the Bureau of Chemistry—although technically they may still be working there—and has organized the work as a part of the activity of the War Department. Thus we have lost a considerable number of our important men.

For example, the Quartermaster's Department came to us and asked us to prepare for them specifications for the purchase of certain articles of food. We put one of our most competent men on the subject, and he was in constant conference with the officers of the Quartermaster's Department. Very shortly they came to me and said, "We want to commission this man as a captain in the Quartermaster's Department, because we want him to organize this work which the Bureau of Chemistry is doing for us now as a special activity of the War Department." Thus he ceased to be available as a Bureau of Chemistry man and is now a captain in the Quartermaster's Department organizing the chemical examination of food-stuffs, which the Quartermaster's Department is now doing. In that organization he will take away from us a number of other men who were his subordinates while he was in the Bureau of Chemistry.

In the same way the Signal Corps came to us about two months ago and said that their research work hitherto had been largely along the line of solving physical problems in aviation, wireless, and photography, as the most insistent problems were physical problems, and requested us to lend one of our men to their research organization temporarily in order that they might organize chemical research along the line of airplane dopes, lubricants for high-speed engines, preparing specifications for the purchase of photographic chemicals, solving chemical difficulties in aerial photography, and help in the study of their problems which have to be solved in part by chemists, in part by physicists, and in part by these men working together.

The man was loaned to them, and the result is that while he still remains in the Bureau of Chemistry half of his time is devoted to organizing this work, and a number of men in the Bureau of

Chemistry will be assigned to the Signal Corps. Their work for the Bureau of Chemistry will cease, and they are being given positions in the War Department.

The actual experimental work is being done in the Bureau of Chemistry, with the Bureau of Chemistry's resources, but these men become unavailable for the regular work of the Bureau of Chemistry; and it is right they should, since this is more insistent than the work they have been doing. But the Bureau of Chemistry has been subjected to a great handicap by reason of such drains.

Senator NORRIS. Do they use chemists in making researches in regard to shells, gas shells, and such things?

Dr. ALSBERG. Yes; we have lost some men to the gas service. In fact, it may be said that to-day we have a type of warfare, chemical warfare, which is just as distinct and separate an arm of the service as artillery or engineering. It is just as distinct and separate and unique a type of warfare as infantry, cavalry, or artillery.

Senator KENYON. And just as deadly?

Dr. ALSBERG. More so. I do not know of my own personal knowledge, but I have been told by a military expert that, per pound of munitions, meaning cartridges or shells, the casualties produced in gas warfare are many times as numerous as they are per pound of any other offensive munitions—shrapnel or anything of that kind.

Senator NORRIS. Doctor, if the enemy uses some new kind of shell and they discover a sample of it, is it the work of the chemists to analyze it and improve upon it or make something like it?

Dr. ALSBERG. As a matter of fact, Senator, behind every section of the front there must be a chemical and physical laboratory, to which every new article of equipment or munitions which is found or captured is brought for examination. Practically every unexploded shell is brought to those laboratories, opened, and examined. That is done for two purposes—one to see whether the enemy has anything new that they are putting over, and the other to see in what way they have changed their manufacture. The reason you want to learn whether they have changed their manufacture is that you may know what they are getting short of, which is important, or whether they have made improvements that you want to adopt.

Senator NORRIS. In addition to that, when you find something new that the enemy has gotten out, it is the work of the chemists, is it not, to discover a remedy, a preventive, like the gas mask?

Dr. ALSBERG. Exactly. Take this mustard-gas proposition that you read about in the newspapers. The chemist has first to find out by analysis what that gas is, which is quite a problem. Then, having found that out, he has to devise a method for its manufacture so that we may use it; then we have to devise a treatment for the men who have been injured by it; and then we have to devise protective measures.

This has nothing to do with the matter under discussion, but, if it interests you, I want to take this occasion to say that I happen to know something about the production of gas masks for ourselves. It was decided, as you know, to quickly send over to France a small force within a month or two after we entered the war; I believe it was in June they were sent. They had to be equipped with gas masks. There was nobody in the United States at that time who knew what

a gas mask was or how it was to be prepared. All that we had was reports from our military observers who had been stationed with the other armies and some models of gas masks that they had gotten and shipped over here. Inside of two months the Bureau of Mines, the Bureau of Ordnance, and the Bureau of Chemistry working together—the Bureau of Chemistry had a very minor part in the work—succeeded in developing a mask that was completely satisfactory for all the gases which we in the United States at that time knew to be in use. The reason the masks were sent back to the United States was because we made still better ones and the old ones were needed here for training.

In that particular work the Bureau of Chemistry had a small part. The chief thing in a gas mask—and it is no military secret—is charcoal. Charcoal is a very wonderful substance, and there are all kinds of charcoal, and we have learned things about charcoal which we did not dream of before this emergency arose. It so happened that the Bureau of Chemistry had been at work for some years on methods of refining or improving sugar and sirup production to replace the expensive and inefficient bone black. In that connection we had been studying charcoal, and we had information as to how to produce a charcoal which would decolorize sirups. It so happens that a charcoal that will decolor a solution will, as a rule, also absorb gases, which is what you would expect, because it is an old law of physics that a substance in solution acts as if it were a gas. Sugar dissolved in water obeys the same laws that it would obey if it were put into the form of a gas instead of in solution. So we furnished information which resulted in a more rapid solution of the problem and the more rapid production in this country of the charcoal that was good for gas-mask purposes.

Senator NORRIS. Let me ask you there, are we producing a gas here now that is effective in warfare? Have we made, for instance, this mustard gas or any other gas?

Dr. ALSBERG. I can not answer that, Senator, except in a general way, for the reason that great efforts have been made to keep all the details secret. I can answer in a general way that this work is well organized. My own judgment is that we have done exceedingly well in the short year that we have been at war.

Senator RANDELL. That is very interesting. Could you tell us very briefly what our allies have succeeded in doing?

Dr. ALSBERG. The situation at the present time is that, as far as I can learn, the allies have the upper hand over the Germans in gas warfare.

Senator RANDELL. I am referring now to the use of gas on the offensive.

Dr. ALSBERG. On the offensive, I have been told, they are discharging more gas and using it more effectively than the Germans at this time.

Senator RANDELL. I am glad to know that.

Dr. ALSBERG. The Germans are suffering from a very curious thing. They are overstandardized. That is to say, they got their gas masks before they started gas warfare. They can not make 5,000,000 masks and change their whole system readily in war time. The allies lost men, but they were unprepared, and being unprepared



they profited by the Germans' mistakes. If you go into war unprepared and can hold out until you can get yourself prepared, you do not suffer from being overstandardized. You get the upper hand of the other fellow, because you profit by his mistakes, and in the stress of war he has not time to make new equipment. It is a very curious thing that, unless you win from the first, preparedness is a handicap, and that, I think, is one of the main reasons why the allies now have the upper hand over the Germans in this gas warfare.

Senator SMITH of South Carolina. Will you proceed, please, Doctor, with your statement about deferred classifications?

Dr. ALSBERG. Gas warfare has little to do with the object of this hearing, except to this extent, that the War Department has taken out of the Bureau of Chemistry for this gas service, for their photographic work in the Signal Corps, for their work on airplane dopes, some of our most experienced men, and we are therefore severely handicapped by the War Department itself.

Further than that, the demand for chemists in this war is so enormous that our men have been taken by industry. Salaries of the men in the industries have advanced so high that we can not hold them or replace those we lose. At the present time we have 50 fewer chemists on the rolls of the bureau than we had April 6, 1917; and that despite the fact that through this war and through emergency work a great deal of additional work has been put on the bureau.

We have tried to get men from the colleges. They are not to be had. Industries are writing to us to recommend men. There is hardly a week that I do not get a letter from the manager of some chemical, engineering, or manufacturing concern asking me to help him out because he has not got men. The result is that we just can not get any qualified men under the civil service.

Senator SMITH of South Carolina. Doctor, will you now state to the committee the importance of the Bureau of Chemistry to the medical interests of the country? Just state wherein your work there is important.

Senator NORRIS. Let me first ask the Doctor a question along the line on which he has been speaking. I may say I have had some conversation with members of the bureau. Have you sent out a man to these colleges, about the time their students graduate, to see whether he could recruit some men?

Dr. ALSBERG. We sent Prof. Johns to make a trip over the country, covering such places as Boston, New Haven, New York, Chicago, Madison, Wis.; Ames, Iowa; Iowa City; Lafayette, Ind.; Champaign, Ill.; Cleveland, Columbus, and Cincinnati, Ohio. He went pretty largely over the country where our educational institutions are, trying to find young men to go into the bureau. He did not succeed in getting a single man for any of the work of the enforcement of the food and drugs act, or for any of the work that was not war work. He did succeed in locating quite a number of men already in the Army who can be put on some of this work of the Signal Corps. In one place he was told by the president of the institution that they had 12 graduates and 300 applications for chemists.

Secretary OUSLEY. You considered yourself fortunate that you did not lose Dr. Johns, did you not?

Dr. ALSBERG. Very.

Senator NORRIS. I wish you would tell the committee what, if anything, the question of salary has to do with this? Would you be able to hold some of these men, or get some of them, if the salary were more attractive?

Dr. ALSBERG. I think we could probably get some men whom we can not get now if we paid better salaries.

Senator NORRIS. Would you be able to retain some of the men that you have lost?

Dr. ALSBERG. We would have been able to retain some that we have lost on that basis. The man who is in the Government service would sooner work for the Government at a lower salary than work for a private corporation, because there is certainty about his position, dignity in his work, and a sense of service. But when the difference between the Government salary and the salary he might get outside is \$3,000 or \$4,000, and when he has a wife and several children and no other means of support, and no pension excepting the insurance that he can buy, it is an exceptional man that will stand up under the temptation.

Senator SMITH of South Carolina. I want you to state to the committee, Doctor, what activities in your department that are essential to agricultural work would make it necessary to retain the men in the service for the good of agriculture.

Senator KENYON. Before you do that, please state how many men of draft age you have in your bureau.

Dr. ALSBERG. In the Bureau of Chemistry we have altogether, of male employees 475, of whom 226 are of draft age. Of those, 98 have been recommended and allowed deferred classification. We actually recommended 106 men, but the difference between 98 and 106 represents men who have gone into the Army or who have left the department, and the requests for whose deferred classification have been canceled.

Of these 98 men, 52 men have been given deferred classification by their boards for other reasons. That is to say, they have been put in some other class than class 3-I. In addition to these, we have 54 men not included in the group I have mentioned who were given deferred classification for other reasons, for whom no deferred classification was asked by the Department of Agriculture.

Senator KENYON. Now, will you please answer Senator Smith's question as to why those men are needed?

Dr. ALSBERG. In the first place, we have to enforce the food and drugs act. That is, strictly speaking, hardly an agricultural activity, but it is a fundamentally important activity at this time, because, with the high prices, with the scarcity of food, and with the other conditions prevailing, the temptation for the manufacturer to adulterate food and to cheat the public by misbranding and misrepresenting is greater than it ever has been. If there ever was a time when the food and drugs act needed to be enforced vigorously, this is the time.

Senator KENYON. Do you mean to say that that is actually going on in these times—that there is more adulteration now?

Dr. ALSBERG. Yes; in certain lines. Take the case of such things as egg substitutes. There is hardly an egg substitute on the market to-day that is entitled to be called an egg substitute; the majority of the so-called egg substitutes consist of baking powder and starch, colored yellow.

- Senator KENYON. You think there is a lack of patriotism in these gentlemen?

Dr. ALSBERG. No; I should not say that, because most of this is done by the smaller men, who have jumped into the business without experience or training and are really ignorant.

Senator SMITH of South Carolina. The present situation as to the scarcity of food would necessarily encourage men to take a chance—men that are not scrupulous?

Senator KENYON. It encourages profiteering?

Dr. ALSBERG. You might, perhaps, call it profiteering in a sense; it is indirectly profiteering. And there has undoubtedly been a decided increase in certain types of adulteration—not in all types. There has been quite a little of it.

We are seriously handicapped in the enforcement of that statute by the vacancies we have not been able to fill. Of the 50 positions that were filled a year ago and are now vacant, between a half and two-thirds are positions that have directly to do with the enforcement of the food and drugs act.

Senator NORRIS. That means that in that particular line you are terribly handicapped right now?

Dr. ALSBERG. In the enforcement of the food and drugs act we are terribly handicapped.

In addition to that, aside from the enforcement of the food and drugs act, we have been helping the Food Administration to enforce its law. Take the baking regulations. We have organized the enforcement of the baking regulations for the Food Administration; that is to say, the regulations which require a suitable amount of substitutes in bread, the use of vegetable shortening instead of lard and animal shortening, which is scarce, and the prohibition against the use of cane sugar in bread making. We have done that in this fashion: In every State we have called together all the food officials, whether they were State or municipal or local, and among us we have organized the inspection of the bakeries. In States like Illinois and Michigan, for instance, there is hardly a bakery that has not been inspected, either by our men or by the State official or by the city official, and all violations are reported to the State administrator, who then deals with them.

In the same way we are preparing to back up the Food Administration in the enforcement of the brewing regulations. They have no force of chemists to determine whether the brewer is complying with the requirements of two and three-quarters per cent alcohol or not.

Senator NORRIS. How many men are engaged in that business in your department or another?

Dr. ALSBERG. That, Senator, is impossible to say, because as yet we have not detailed an individual set of men to do that work.

Senator KENYON. If we got rid of the brewing business entirely you could use those men for something else?



Dr. ALSBERG. Undoubtedly. I do not mean to say that we have detailed a set of men who are doing nothing but working for the Food Administration.

Senator KENYON. But these chemists could be otherwise employed that are now engaged in inspecting beer?

Dr. ALSBERG. To a small extent that will be true. It will be sandwiched in, of course, with the regular work in the enforcement of the food and drugs act.

Senator KENYON. Can you not give us some idea of how many men are employed in that beer inspection? That will help us later with questions that are coming up here.

Senator SMITH of South Carolina. I do not think you need dwell on that point. I think we can get that estimate.

Senator NORRIS. At the same time, that is a new idea about beer. It never occurred to me before that where we need chemists so badly we have been using some of them to see that people do not violate the regulations in making beer.

Dr. ALSBERG. The same thing, of course, Senator, has applied for years to the liquor industry in general. A certain amount of the time of the chemists of the Bureau of Chemistry engaged in the enforcement of the food and drugs act has been employed in seeing that wines and beers and liquors, whether imported or domestic, were not shipped in violation of the law.

Secretary OUSLEY. It is a question of enforcing the law?

Dr. ALSBERG. A question of enforcing the law; yes. And I can say this—and I think I could maintain the thesis—that there has been no group of products with which we have had greater difficulty than those containing alcohol—wines, beers, whiskies, and all the rest. There has been a great deal of trouble, and we have spent a great deal of effort in preventing adulteration and misbranding of those articles.

That covers the major activity of the Bureau of Chemistry—the enforcement of this particular law, which is now seriously handicapped for lack of technically trained men. Other activities which will be handicapped are those in which we are cooperating with the War Department—some of the Signal Corps work, which I mentioned, some of the gas work, and other work.

For example, we are conducting a lot of investigational work, as well as routine testing, in connection with certain classes of supplies, particularly leather for shoes and harness. Some of our men are at work on that, and for that purpose the Army has detailed to us some chemists who are in the draft. We did not have a large enough force to do that work ourselves, so we went to the Quartermaster's Corps and asked them to detail to our bureau some chemists with experience in leather work. We have a number of such men helping in that direction.

In the same way we are doing work for the Army in the direction of research on the waterproofing, weatherproofing, and mildewproofing of fabrics, such as tent materials, etc. Both of these lines are peacetime activities. This work grew out of numerous inquiries we used to get from farmers, who said they wanted to treat the canvas that was used to cover machinery, etc., so that it would not rot. That is how the work started.

Senator NORRIS. You were speaking of the Army detailing men to help you out. Have you made many of those requests, and why have you not made more of them?

Dr. ALSBERG. We have made them for Army work. If the Army asks us to examine 50 samples of harness leather and our force is not sufficient to do that work for them, we ask them to detail men to us.

Senator NORRIS. Let me put a concrete case to you. Dr. Johns told me he found a graduate chemist down in one of these training camps peeling potatoes. He is in the Army. If you would ask the Army to detail that man to do the chemical work that he is fitted for, would they not readily do it for you?

Dr. ALSBERG. There are some complications there. In the first place, are we justified in asking the Army to detail a man in uniform from the Army to us for nonmilitary purposes? I do not see how the Army could justify that legally or otherwise, unless it got specific authority from you gentlemen to do so.

Senator NORRIS. One of my objects in asking the question was to lay the foundation for legislation that may be necessary. Would not that be a good thing?

Dr. ALSBERG. It would be an excellent thing.

Senator NORRIS. I am personally acquainted with a man over here at Edgewood who is engaged in cutting down trees. He was one of the professors in Leland Stanford University, graduated in chemistry, has been a chemist for years, and has taken degrees as a chemist. Ought there not to be some way for your bureau to ask the Army to detail that man to you, and would they not be glad to do it?

Dr. ALSBERG. I think the Army would be glad to do it, but I do not see how they have the authority at the present time, and they must be protected from the same kind of criticism that is coming up now.

Senator NORRIS. I know; but when you have to deal with a case of that kind criticism ought not to prevent a man from doing his duty.

Dr. ALSBERG. That is true. If the Army were willing to do that, I could name 50 chemists that I would be delighted to have—men much more competent than the average. I could fill every one of these vacancies within a week with first-class men.

Senator NORRIS. Do you not think it would increase the efficiency of our Army and everything if you could do that?

Dr. ALSBERG. There is no doubt about that; but, Senator, I understand you can not even select your man at the present time for Army work when he is already in the Army. If Col. Walker—who is in civil life professor of industrial chemistry at the Massachusetts Institute of Technology—wants a chemist for the gas-shell filling plant I have been told he can not go to The Adjutant General and say, "I want John Smith, located at Camp Meade," although John Smith may have been chemist at a great powder company and just the man he needs. As I understand it, he has to go to The Adjutant General and say, "I want a chemist," and The Adjutant General will assign a chemist. It will be more or less a matter of accident, I am told, whether he gets an ideal man for the job or whether he gets for work on explosives a chemist who has been analyzing foodstuffs.

Such were the conditions some months ago. I have not inquired whether they have been altered.

You can readily see why the Army feels that way about it, because, if it were permitted without regulation for an officer to call for a specific man they would immediately be laying the foundation for the charge that it was a cooked-up job. So they have tried to make such transfers absolutely impersonal.

If I wanted a leather chemist detailed from the Army to do Army work on leather I can not go to the Army and say that I want the former chief chemist of a large tanning company, although he may be the greatest expert on the subject. I have to say, "I want a chemist." I may hint to them that I would like to have this man: I may do it informally and unofficially, and if I happen to strike an officer who is sympathetic he may take the hint, but I do not necessarily get the best man.

Senator NORRIS. Every case of that kind ought to stand on its own bottom, and the man who abuses his authority ought to be sent to prison. The man who is doing it honestly ought to be protected.

Dr. ALSBERG. Another important work we are doing which is handicapped is the work in preparing specifications and examining materials for the Army. We happen to have in our organization some 18 laboratories scattered around the United States. We have to have them scattered around the United States because the food and drugs act provides that we shall supervise the importation of food-stuffs as well as domestic traffic. Therefore we have to have a laboratory at each of the principal ports of entry. As a result we are within a night's express shipment of pretty nearly any cantonment in the United States.

Now, samples of foodstuffs and other materials of various kinds delivered at a given cantonment are shipped to our nearest laboratory, where the examination is made. In some instances the Army has detailed a drafted man, who happens to be a chemist, to help when the burden of work is particularly great.

In the same way there has been an enormous additional amount of labor put on us by the Attorney General and by the Department of Justice. Often when a United States attorney suspects that some alien enemy has attempted to poison somebody with powdered glass or something else, samples are shipped to our laboratory. And here we are with a short force—short for our normal activities, and therefore doubly short in this emergency.

Senator NORRIS. Have instances of that kind actually been found?

Dr. ALSBERG. In the majority of cases it was sand; as, for example, canned tomatoes that had not been sufficiently washed. In a sense, sand and glass are the same thing; they are both silica. As far as I know, there were only a few instances in which the stuff really was glass, and in those instances it was due to carelessness. In one instance it was spite work on the part of a discharged employee. In other cases glass was found in cracker meal. As you know, crackers are often shipped around in boxes with a glass front. Such boxes are returned, and under the freight conditions that have prevailed during the last year the glass front has been broken more frequently than usual, and sometimes the workmen have not been careful to remove all the broken pieces when they took out the remnants of the broken crackers to make them into cracker meal.



Senator SMITH of South Carolina. Is that about the extent of the activities of your bureau and its relation to the Department of Agriculture? Is there anything else of importance?

Dr. ALSBERG. There are a lot of projects, such as our grain-dust explosion work, which bear immediately on the war.

Dr. Taylor reminds me that there is another law the enforcement of which is necessary to agriculture, which the Department of Agriculture has to enforce, and which requires a considerable number of chemists for its enforcement, and that is the insecticide and fungicide act. This is an act which prevents fraud in the sale of insecticides and fungicides to farmers. The conditions I outlined with reference to the food and drugs act are essentially the same in the enforcement of the insecticide and fungicide act.

There is another activity directly bearing on the war, which I think has a bearing on this subject, and that is our so-called dust-explosion work. You gentlemen know, perhaps, that any dust which will burn, when mixed in the right proportion with air, will explode. The main reason why a grain elevator or a flour mill is a bad fire risk is that, if you have grain-elevator dust or flour dust suspended in air in the right proportion, a flame will cause an explosion. Every year in the United States millions of dollars worth of property and millions of bushels of wheat and a number of lives are lost owing to a lack of knowledge of the danger of these dust explosions.

The Bureau of Chemistry for a long time has been at work to prevent dust explosions, advising people of the danger of dust explosions in grain elevators, in mills, and in the thrashing machines. Thrashing machines also not infrequently blow up. The Secretary of Agriculture has approved the plan to intensify this work during the period of the war, and for that purpose the Bureau of Chemistry, the Bureau of Markets, and the Food Administration are working together. We have a force of men going from elevator to elevator, from mill to mill, from industrial plant to industrial plant, and working with the thrasher men to show them what precautions to take to prevent these fires. If in this way we can prevent the burning of only one or two elevators in the course of a whole year we shall have saved, as those fires go, some millions of bushels of grain. This work would also be handicapped if it is not possible to appoint men who may be subject to the draft.

There are quite a number of other activities of the Bureau of Chemistry, Senator Smith, that might be discussed here, but to do so would be to take your time merely multiplying examples.

Senator SMITH of South Carolina. Thank you very much, doctor. We will now hear Mr. Knapp.

**STATEMENT OF MR. BRADFORD KNAPP, CHIEF OF THE OFFICE OF EXTENSION WORK IN THE SOUTHERN STATES, STATES RELATIONS SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE.**

Senator SMITH of South Carolina. Mr. Knapp, please give your official connection with the Department of Agriculture, and such reasons for exemptions in your division as you see fit.

Mr. KNAPP. I am Chief of the Office of Extension Work in the South in the States Relations Service. There are two offices, and,

by agreement with Mr. Smith, I am going to try to make a statement for both.

These offices deal with the problem of getting information to the farmers. They have a system known as the county-agent work and the home-demonstration work, the home-demonstration work being done for women and girls, the county-agent work and the boys' club work being done for men and boys on the farms.

At the present time in the South we have 1,518 men; in the North and West we have 2,403 men employed. These figures include men agents of all kinds, such as directors, State, district, and county agents and their assistants, and boys' club agents and leaders.

Senator KENYON. Are those of draft age?

Mr. KNAPP. No; I will mention those in a moment, Senator. This force is to carry out the specific directions of Congress through acts authorizing this work, including the food production act, which authorized the department specifically to enlarge this work. I might say that you have approved of it and provided for it through what is known as the Smith-Lever Act, as well as by direct appropriation to the department. The department, by agreement made with the president of the college, coordinates all of the extension work, both of the department direct and of the college, into one force in the State.

Of these men in the South at the present time, 689 are of draft age; in the North and in the West, 1,442 are of draft age. Let me detail the procedure in securing deferred classification: The State leader or director took up each individual case and recommended to the department the disposition to be made of it under the selective-draft act. Then, the respective officers in the department made their recommendations through the States Relations Service to the Secretary. The Secretary then passed upon the matter. If the request was approved, an affidavit was prepared and returned to the local draft board, asking that the man be placed in class 3, Division I, as a necessary employee of the Federal Department of Agriculture. The local board in each county then passed upon these cases. There might be a right of appeal to the district board, but the district board's opinion in the matter would be final. All of this was strictly in accordance with the rules and regulations promulgated by the War Department under the selective-draft act, passed by Congress and approved by the President.

In the South there were actually placed in deferred classification—in class 3, Division I, as necessary employees of the Government—275 men: 10 of those men also have deferred classification for some other reason—that is, they may be in class 3-I and also class 4-A—having dependents; and 103 were not recommended by the department, but were deferred for other reasons.

In the North and in the West the total number put in class 3-I, on the Secretary's affidavit alone, was 307.

The figures just given are those for the cooperative extension work, and include the field force in the cooperative extension work with the agricultural colleges for the 48 States, as near as we can get them. The States Relations Service includes other branches, such as Insular Experiment Stations, Office of the Director, and other offices located in the bureau in Washington. Including these the total figures are as follows: Total number of men employed in

States Relations Service, 4,132; total number of men of draft age, 2,164; total number of men placed in class 3, Division I, on department's recommendation, 590. So far as we have been able to obtain the records, 14 of these men are also placed in some other deferred class—that is, they are in class 3-I, and also in 4-A, or in some other division. The record on this is incomplete. We have not had time to get full data from the men in the field since this inquiry began. The number is undoubtedly larger than the figures given. The number of men deferred for other reasons, who were not recommended by the department, is 117. The figures in this class are incomplete also.

In cases where any of these employees have been placed in class 3, Division I, on recommendation of the department to the local board, the classification holds only as long as the man holds the position. Immediately upon resignation of any of these employees from the department's work, the proper office notifies the local board of such fact and requests the withdrawal of the affidavit, thus releasing the man to be dealt with by the local board as deemed best by them.

If a man had asked for his own deferred classification—and this applies throughout the whole country—it would have been presumed by State officials and by our offices that he was seeking a sheltered place, and he would not get it. We can say conscientiously that no man received consideration who applied personally for deferred classification.

Senator KENYON. Did some apply?

Mr. KNAPP. I remember in my own territory one who applied. He was not given deferred classification. I remember another whose superior officer asked him to write a letter to another State and get his record there to be attached to the papers which would come to Washington, and when that matter reached the Secretary's office he was turned down on the ground that he had been that far instrumental in asking his own deferred classification.

Our greatest difficulty is to keep these men in agricultural work on account of the greater attraction of the military service. It is becoming increasingly difficult, and was before the amendment was put in by the House, to hold these men on agricultural work. Especially in the South—and, I think, quite generally in the North—as Assistant Secretary Ausley has mentioned, it has been found impossible to get men to fill these positions who are beyond draft age, for two or three different reasons. First, because the man who has gone beyond the draft age, if of the training and experience we must have, is generally so well located that it is impossible for us to command his services. If he is not, as Col. Ousley has said, he is a failure in life, and we could not use him, because he would not be a success in this line of work.

The salary paid to these men is an item. We can not pay a large enough salary to command the services of a man who has an extensive agricultural enterprise under his command at the present time.

As to the reception that the farmers give to these men, I want to say that the farmers throughout the country are demanding that trained men be employed as county agents. They say, "It is no use to appoint another farmer here; we know as much as he does, and we can farm as well as he does. We want a man employed here who has the up-to-date knowledge and who knows the things we do not



know." That is the reason for the proportion of men within the draft age that appears in these schedules.

Senator RANSDELL. Are they usually men fresh from college, Dr. Knapp?

Mr. KNAPP. No; not directly from college. A man just out of college will not do unless he has had considerable farm experience. We have tried to keep the ages at such a point that the men would have two or three years' actual experience in farming on their own account after they leave college. That is the general rule—to take only farm-trained and farm-raised young men who have gone to the agricultural college for a thorough course there, graduated, and gone back into agriculture and had enough experience to fit them for this position. I have letters from one of the States, especially Mississippi, saying that they are required by the farmers to send them men of that type.

Another thing is that in the South at the present time there is about \$800,000 appropriated by counties or subscribed by farmers and others within the county to apply upon the agent's salary and expenses, in addition to the funds put in by the colleges and the department. In the North and West I believe it is approximately \$1,200,000 at the present time, which makes a sum total of \$2,000,000. If the allegations made in support of this amendment on the floor of the House were true, that money never would have been appropriated by the farmers.

Senator KENYON. Was the argument made in the House that the farmers did not want these men?

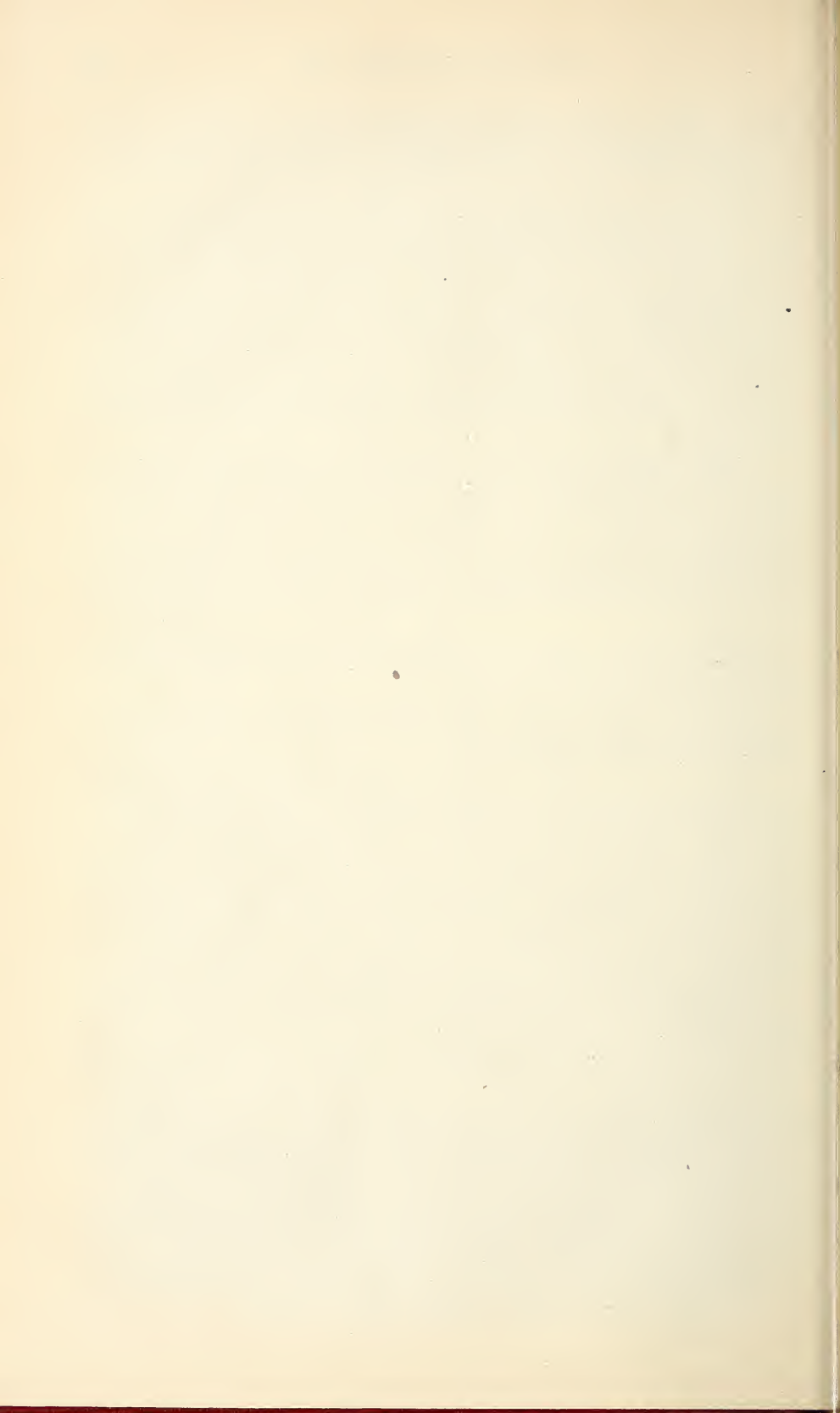
Mr. KNAPP. Yes; that has been stated.

Senator RANSDELL. Please state just what benefit you think these demonstrators have accomplished.

Mr. KNAPP. This force enables the department and the colleges, working in the utmost harmony, to get the entire agricultural population quickly informed regarding conditions. The problem of increasing production under difficulties is brought quickly to them by this force. They hold their meetings; these men put the programs up to them; they try to encourage them to meet the requirements of the Nation. In this way we have a quick means of getting information to them. Also I might say we have quick means of getting information back about conditions existing in the counties about the breaking out of crop diseases, animal diseases, insect pests, etc.

We can state, and state emphatically, that these men have no desire except to serve their country where they can do the most good. They have not sought deferred classification, nor do they wish to avoid any service, no matter how dangerous. They have been selected for these places because of their training and experience. They have gained knowledge of local conditions invaluable to this department, and we know that they have been one of the most important factors in our increased food production. We can not maintain this service without men who are fit for the service. Farmers are meeting problems of increasing difficulty. They are compelled to seek information to help them. Without this force the Nation and the States will be seriously handicapped in guiding the most essential work of food production.

(Thereupon, at 1.20 o'clock p. m., the committee adjourned to meet at 10 o'clock a. m. to-morrow, Friday, June 14, 1918.)



# FOOD PRODUCTION ACT, 1919.

MONDAY, JUNE 17, 1918.

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY,  
*Washington, D. C.*

The committee met at 10.30 o'clock a. m., Hon. Ellison D. Smith presiding.

Present: Senators Smith of South Carolina (acting chairman), Sheppard, Thompson, Kendrick, Page, Gronna, Norris, Kenyon, Wadsworth, and France.

## STATEMENT OF MR. EDWIN C. DINWIDDIE, LEGISLATIVE SUPER-INTENDENT, ANTI-SALOON LEAGUE OF AMERICA, WASHINGTON, D. C.

Senator SMITH of South Carolina. The committee will come to order. Mr. Dinwiddie, will you just state your full name and your official connection with the organization you represent?

Mr. DINWIDDIE. Edwin C. Dinwiddie, legislative superintendent of the Anti-Saloon League of America. I also represent some others that I need not mention.

I would just like to ask Senator Norris if he will be kind enough to indicate what particular phases of the constitutional side of the question he would like to have gone into. Wherein do you feel, if you do feel—or does anybody feel that this differs from many of the other pieces of legislation which Congress has been constantly passing since our advent into the war that would not be at all upheld in normal peace times, but which probably will be upheld, and some of which have been upheld as war emergency measures? That is one question I would like to ask, just to help our attorney when he appears.

Senator NORRIS. I will be glad to answer that question, as far as I am concerned. The amendment we are speaking of contains two provisions; one is that during the continuance of the war no food, grain, or cereal shall be used in the manufacture of malt liquors. I have no doubt of that being constitutional. That is purely a conservation measure.

Mr. DINWIDDIE. That is purely a conservation question.

Senator NORRIS. Another provision of the amendment is that during the continuance of the war it shall be illegal to sell whisky or distilled spirits as a beverage. There is a constitutional question; the whisky is already in existence. As to the prohibition of the use



of foods to make whisky, that is illegal now; but whether Congress has the authority under the Constitution to pass a law to prohibit the sale of distilled spirits already in existence to use as a beverage is a question. That is the point, and the only constitutional question. I think, involved in the whole thing. I do not believe it will be contended that it is not constitutional to prohibit the use of foodstuffs for the making of intoxicating liquors of any kind.

Mr. DINWIDDIE. Then you want light on the question as to whether this is in any way differentiated from the general power which Congress would exercise in the conservation of foods by the prohibition of the use of foodstuffs in the manufacture of any alcoholic liquors?

Senator NORRIS. Yes, sir.

Mr. DINWIDDIE. To start with, one theory about that is that the whole scheme is a scheme of conservation, just as we are conserving sugar, just as we are conserving meats, and just as we are conserving wheat by the prohibition of the use of wheat for ordinary manufacture into bread.

Senator NORRIS. But that is not true of whisky. I do not think anybody claims that the whisky that is in existence would be used for any beneficial purpose in the war, unless it were for the manufacture of munitions.

Mr. DINWIDDIE. Yes; it can be.

Senator NORRIS. We are told by the department that while we can use whisky to manufacture munitions of war it is not practicable to do so.

Mr. DINWIDDIE. By redistillation. They claim it is too expensive?

Senator NORRIS. Yes; they can take other means and do it better.

Senator SMITH of South-Carolina. Mr. Dinwiddie, the point Senator Norris is making is this: The Randall amendment prohibits the use of any foodstuffs in the form of either fruits or grain in the manufacture of any fermented or spirituous liquor. Now, the Jones amendment—the one about which Senator Norris is asking you—comes in and prohibits the sale of any intoxicating liquors during the period of the war.

Mr. DINWIDDIE. Yes. That is, of course, frankly stated, to meet the objection of the President and the Food Administration that they do not want to be responsible for putting the country on a whisky basis.

Senator NORRIS. I will say frankly to you that personally I do not agree with that position of the President and Mr. Hoover. I do not think that we ought to stop the prohibition of the use of foods and grains to make beer for fear that somebody that does not get beer is going to get drunk on whisky.

Mr. DINWIDDIE. Of course, I have my own opinion about that, too, but we are up against the practical proposition of what has been said.

Senator NORRIS. The amendment contains the provision prohibiting the sale of whisky for beverage purposes—whisky that is already in existence. So it comes to the proposition whether Congress has the authority to pass a prohibition law of that kind. If the law provided that the manufacturers could not use for the manufacture of whisky anything that could be used for food there would be no question about its constitutionality, in my judgment. But the whisky exists now.

Mr. DINWIDDIE. But suppose it were held that this is necessary to save man power, to save the resources of the country to help in this war; would Congress have the power to do it?

Senator NORRIS. Of course, I presume that would be part of your attorney's argument?

Mr. DINWIDDIE. Exactly. I can say this much: The court held in the legal-tender cases that it was practically competent for a nation when it was fighting for its life to do anything—to conscript men, to conscript property. They are doing that sort of thing with reference to other property.

Senator NORRIS. Yes; but this is not a question of conscripting whisky. We have a right to pass a law, and the President has authority now to take over every bit of whisky there is to manufacture into munitions of war. We have a right to pass a law to take that whisky, to conscript it and make it into munitions.

Mr. DINWIDDIE. Yes; but by this Jones amendment, Senator, we are doing less than that.

Senator NORRIS. I know. The question involved in the Jones amendment is not the power of Congress to take the whisky. That is not involved in it at all.

Mr. DINWIDDIE. It is the power to stop its use during a certain period of emergency.

Senator NORRIS. Yes; as a beverage.

Mr. DINWIDDIE. And that is less than taking a man's property, because we do not destroy his whisky; he has got it when this emergency passes.

Senator NORRIS. I agree to that. It is not taking his property.

Senator GRONNA. We have, of course, to show for what purpose we would want to take it. On the other hand, we would want to show that it is destructive to the health of our men.

Mr. DINWIDDIE. I think we can do that. That is what I was trying to get at. My question did not mean that I did not understand the differentiation between the Randall amendment and the Jones amendment; I was trying to find out just what is in the minds of the Senators upon which they want light. I think that is an absolutely correct statement. I call the Senator's attention to this, because he has been on the bench and has read these decisions a good deal oftener than I have.

I will suspend in a moment, because I believe you mentioned Mr. Kahn's name, and I see he is here. I just want to call attention to one thing. All through the decisions of the courts, State and Federal, the principle has run that a man must use his property so as not to interfere with the rights of others. In one of the most recent decisions of the Federal Supreme Court, in which they upheld the Webb-Kenyon law, they wound up by saying that they were not to be deterred from holding this law constitutional for fear Congress might exceed its power somewhat; and that the reason they held this thing could be done with regard to intoxicating liquors was because of the exceptional nature of the subject itself; and virtually repeated what they had said in many previous decisions, that whisky and other liquors were in classes by themselves and not to be treated even as legitimate articles of commerce; that is, when the legislative

mind reached the conclusion that they ought to be dealt with in a particular way.

I have no doubt at all that this legislation would fail in normal peace times, from a constitutional standpoint—

Senator GRONNA. But they took into consideration both the transportation and the manufacture. In this case we would not naturally have to take into consideration either of those two matters. The whisky is already manufactured and does not necessarily have to be transported. The question is, shall it be sold in intrastate trade?

Mr. DINWIDDIE. Yes; or anywhere.

**STATEMENT OF HON. JULIUS KAHN, REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA.**

Senator SMITH of South Carolina. We have present two gentlemen who have desired to be heard. Mr. Kahn, we will hear you now in reference to this so-called Jones amendment. You may proceed.

Representative KAHN. I thank you, Mr. Chairman.

Mr. Chairman and members of the committee, I appear in opposition to the Jones amendment and Randall amendment on behalf of the grape growers and wine producers of California.

Senator NORRIS. Right at the beginning of your statement, Mr. Kahn, I suppose what you say in behalf of the grape growers of California will apply with equal force to the grape growers everywhere?

Representative KAHN. I imagine so, although the industry is so much greater in California than it is anywhere else—95 per cent, I think, of the wine made in this country being made in that State—that I was not considering the wine growers elsewhere, although I imagine they would be in exactly the same position as the California wine growers.

Let me start by saying that the Federal Government itself has held out the hand of hope to the wine growers of this country. The Department of Agriculture for many years has maintained in California experiment stations, securing special vines, so that the grape growers and the wine makers might get the best qualities possible for their business. The State of California has had a viticultural commission for many years which it has maintained at a large expense in order to help the industry. So the wine growers of that State have felt that they had, in a way, Government sanction for their business.

In the early part of this Congress, when legislation was passed with reference to spirituous liquor, prohibiting the manufacture of that and of allowing the manufacture of beer and wine, the wine growers of this country probably felt that they were justified in going to the expense of cultivating their crop this year. You can not make wine without going to additional expense. You have got to supply cooperage, barrels for holding the wine. You have got to supply great numbers of boxes for taking the grapes from the field to the presses. You have got to cultivate your vines.

All of that costs a great amount of money, and I am advised by gentlemen of great responsibility and undoubted veracity that the



banks of California have been asked to lend the wine makers and the grape growers for this year's vintage \$10,000,000 in anticipation of a crop. That money has already been practically invested in anticipation of the crop. The wine grapes will ripen in probably eight weeks from now, and the making of the wine will proceed from that time onward. To pass this legislation at this time would make every dollar of that investment a total loss, besides making the crop a total loss. Because wine grapes are not food grapes; the grape that is used for making wine is not a food product.

Senator NORRIS. Could they make grape juice of it?

Representative KAHN. They probably could, but grape juice is not food any more than wine is a food, if you want to put it that way. The taking of grapes for making grape juice is destroying a food product just as much as when you take it for making wine.

Senator NORRIS. Is there any other use that it could be put to?

Representative KAHN. None whatever, sir. They will spoil. The whole vintage will be a total loss. In addition to that, these men paid in taxes to the Government for fortifying their sweet wine in the last campaign a year ago \$500,000. They could not use a dollar's worth of their property if this legislation goes through; that tax has been paid into the Treasury of the United States.

They are willing to stand on the Sheppard amendment. The large wine makers of California are liquidating their business. They are ready to go out of business, but they want a little time to do it.

Senator NORRIS. Mr. Kahn, if this amendment were changed so as not to apply to vinous liquors, would you have any objection to it then?

Representative KAHN. I want to say to the Senator frankly that I have always been against that kind of legislation.

Senator NORRIS. I ought to put my question in a different way. Of course, you have a right to be opposed to it, notwithstanding whether that is in or out. I am not contending that you have not any such right.

Let me put it in this way: The people whom you represent in this are the grape growers and wine producers. Would their objection be withdrawn if that were eliminated from the bill?

Representative KAHN. I imagine that their objection would be withdrawn, of course. I imagine so.

Senator NORRIS. What I want to get at is this: If that were eliminated, this argument that you have made about the investment, the work that has been done in preparation for the next crop, and so on—there would be no contention that those people would be injured then?

Representative KAHN. No.

Senator NORRIS. So that argument would fall?

Representative KAHN. Yes; they would not go into the crop of next year if they knew there was an inhibition by reason of an act of Congress.

Senator NORRIS. Of course, if vinous liquors were omitted from the amendment, neither this year nor any other year would that have any application?

Representative KAHN. No.

Senator NORRIS. It would not apply to them at all.

Representative KAHN. No; certainly not. But they are in that predicament. As you can see, the banks are carrying those people, and have made these enormous loans in anticipation of this year's crop; and, of course, not only would the crop be lost if this were passed, but also this additional investment would go by the board, and I submit that is manifestly unjust.

Senator PAGE. Mr. Kahn, may I ask this question? In reading the Jones amendment I see it provides that from and after 30 days from the date of approval of the act no foods, food materials, etc., shall be used for malt or vinous liquors for beverage purposes. Would you say that by changing 30 days to 120 days you would eliminate the objections you are stating?

Representative KAHN. I think in all fairness, Senator, in view of the condition which brought about the making of their vineyards, that these people should be allowed to dispose of that vintage. I should say that would take approximately a year.

Senator PAGE. This amendment of Senator Jones reads, "shall, during the continuance of the present war, be used in the production of malt or vinous liquors." This clause that I am reading does not refer to sale.

Representative KAHN. It says "food and food materials." Immediately there comes up the question whether the grape that is used for making wine is food material. The grape growers and the wine makers of California contend that the grape used for making wine is not a food product; it can only be used for making wine. Of course, I want to modify that statement in a trifling particular. There are some wines made from a grape that can also be used as a food—special wines, such as Tokay, such as Madeira, and such as port. Those are sweet wines that are made from a grape that can be used as food. But the bulk, the overwhelming bulk of the wine that is made is made from the wine grape.

Senator WADSWORTH. Mr. Kahn, whether or not these grapes are food materials, the Jones amendment would apply to all grapes, because it uses the word "fruits."

Representative KAHN. Yes.

Senator WADSWORTH. In other words, all those vineyards would practically have to be shut down?

Representative KAHN. Yes.

Senator KENDRICK. Mr. Kahn, would there be any avenue of escape for the grape grower whatever by the use of the bulk of the crop for any other purpose except wine?

Representative KAHN. Why, there would be no escape. That is the one thing that it can be used for.

Senator KENDRICK. May I ask, how long does it take to produce or grow a vineyard, to bring the vines to bearing?

Representative KAHN. Until the vine begins to bear commercially, I should imagine that it takes somewhere in the neighborhood of three to five years.

Senator KENDRICK. And how long would you estimate it would require the vine growers to change their business?

Representative KAHN. They are doing that now as speedily as they can. Of course, the Senator will understand they have been making wine for some years. Wine increases in value as it ages, and so they have in stock quite an amount of wine in excess of any one

year's vintage. But they are disposing of that just as rapidly as they can.

I received a letter only a day or two ago from the president of the largest wine-making concern in California saying that if you will only give them a little time, probably two or three years, to dispose of their stock, they will liquidate. They are turning their lands over now into orchards. They are pulling up their vines and planting orchards, and they are growing grain on some of their land, and they have sent to the Department of Agriculture here for various kinds of seed to experiment with on their land with a view of planting their lands to those crops. They are trying their level best to wind up their business and use the land for other purposes.

Senator KENDRICK. Trying to adjust themselves to a new order?

Representative KAHN. Yes, sir. In the meantime they are paying their taxes and they are living up to the law, but they feel that the enactment of this law at this time would be an exceedingly great hardship and would really be an additional tax upon their property and their lands and mean the loss of their crop.

Senator NORRIS. Mr. Kahn, is there anything used in the production of wine except the grapes? I want to get at this point: Is there anything that would be saved in the way of food for the Army or for other people?

Representative Kahn. Not a thing.

Senator PAGE. Mr. Kahn, you made the remark that the people of your State who are interested in wines were getting out of the business and were willing to retire.

Representative KAHN. Yes, sir.

Senator PAGE. This amendment of Senator Jones limits the time beyond which no fruits can be made into wines to 30 days. What time would you suggest to take care of this year's business?

Representative KAHN. In the State of California wine making begins at different times. Probably the farther south you go the earlier the grapes ripen. I think that the "campaign," as they call it, begins some time in the early part of August and runs along until well toward the middle or end of October, and during all that period wine is being made, depending upon the character of the climate, the soil, and so on.

Senator PAGE. If this limit of 30 days were made 4 months, would that extension be sufficient to take care of your wine growers?

Representative KAHN. I suppose they would be able to harvest their grapes and make their wine by that time. I should imagine so. Five months would probably do it.

Senator WADSWORTH. You said a moment ago that no food would be saved for the Army or for the civilian population by the abolition of the wine industry.

Representative KAHN. None at all. Senator, if you will allow me to make the suggestion in that connection, several years ago when this question was up the California wine men had a committee on here, and they said that the wine grape would not even make a good raisin, so they must either use it for wine or waste it.

Senator Wadsworth. I was going to ask you if it is true—and I assume it is—that no food would be saved—

Representative KAHN. None whatever.

Senator WADSWORTH. What would be accomplished by that?



Representative KAHN. It would simply put them out of business.

Senator WADSWORTH. And what in turn would that accomplish for the good of the country?

Representative KAHN. That would accomplish the destruction of an industry that has \$200,000,000 invested in it in the State of California alone.

Senator WADSWORTH. Do you think that the conduct of that industry is a danger to the country?

Representative KAHN. I do not; I have never considered it a danger to the country. I think the abuse of liquor is a menace, but I do not think the use of liquor is a menace. I myself am ordered by my doctor to drink a glass of claret with my meal every day, and have been ordered to do that for years, because of my physical ailment.

Senator WADSWORTH. Do you not think there is a very clear line of demarkation between spiritous liquors and wines in that respect?

Representative KAHN. Undoubtedly. Anybody who has ever traveled abroad and has gone into the wine-making countries will realize that there is no drunkenness there. Take the armies in Europe to-day. The French armies and the Italian armies are served with a ration of wine every day.

Senator WADSWORTH. And no drunkenness results?

Representative KAHN. No drunkenness. They certainly have shown their mettle as fighters, and we do not hear of drunkenness in the armies of France or of Italy. More than that, the army of England is given a ration of rum every day—that is a spiritous liquor—and there is no drunkenness.

Senator GRONNA. Speaking of the food value of grapes, Mr. Kahn, I am not very familiar with the subject, but I think a few years ago you had what you called drying plants in which a lot of the grapes were dried?

Representative KAHN. Those are for raisins.

Senator GRONNA. No; I am not speaking of raisins at all. They were sold as dried grapes.

Representative KAHN. As I recall it, Senator, the wine grape has a very large seed and is rather thick skinned; that is, the majority of wine grapes, and I do not think they are good for food in any way.

Senator GRONNA. I think they had some use and I think they are being sold on the market as dried grapes.

Representative KAHN. I am not familiar with that product myself. I know California has gone into the raisin industry. We use great quantities of grapes for raisins.

Senator NORRIS. It is a different kind of grape?

Representative KAHN. Yes, sir. I was about to say that when I was a boy if you wanted to buy raisins in this country you were compelled to buy the Malaga raisin, which came from Spain. The California raisin has driven the Malaga raisin off the market. I imagine that if you went into all the grocery stores in New York you would not find a box of Malaga raisins, but you would find great quantities of California raisins.

Senator PAGE. Mr. Kahn, there are those of us who may disagree with you in regard to the general principle you lay down that wines are good——

Representative KAHN. I never quarrel with anybody, Senator, about his personal views on those matters.

Senator PAGE. But there are those who so believe that may be inclined to look at the equities, as far as California is concerned and its crop of this year. I would like from you, for consideration when we debate it, suggestions as to how this Jones amendment could be amended so as to take care of this year's crop. Also, could you in any way provide for some limited spiritous content of the wine, so as to come as nearly as possible in this year's crop to meeting the views of those who disagree with you in regard to the general principles of temperance?

Representative KAHN. I am under the impression, as I said, that if they were given five months to harvest grapes and turn out their vintage that would probably take care of those wine makers whose grapes ripen at the latest period. That is about the only suggestion I could make on that matter.

Senator PAGE. And could the spiritous content of the wine be limited in any way?

Representative KAHN. That is a very difficult question, Senator. Dry wines, as they are called, the still wines, and the wines that are rather acid to the taste, such as claret and Burgundy, have about 12 per cent, I think, on an average of alcohol. On the other hand, the sweet wine, which is generally regarded as a medicinal wine, contains about 21 per cent of alcohol. In the progress of fermentation, in which the sugar is lost to the wine, they arrest fermentation and inject a certain amount of grape brandy, and that retains the sugar content, so that your sweet wine, your port, Madeira, your sherry, your Tokay, and wines of that character have approximately 21 per cent of alcohol.

Senator GRONNA. The sweet wines are made from grapes that may be used for food, are they not?

Representative KAHN. Some of them, yes; I think so.

Mr. DINWIDDIE. Would it interrupt Mr. Kahn for me to ask a question which bears directly on what he is discussing?

Senator SMITH of South Carolina. You may ask the question.

Mr. DINWIDDIE. Do you mind, Mr. Kahn?

Representative KAHN. Not at all.

Mr. DINWIDDIE. I just wondered whether Mr. Kahn has any confirmation of what I have some knowledge of—that the California Wine Co., which is the largest producer—

Representative KAHN. The California Wine Association.

Mr. DINWIDDIE. I believe they do close to 80 per cent of the business of your State. Your talk has been very largely directed to the question of losing the business. My attention was called, in passing through San Francisco last fall to and from Hawaii, to the fact that they are producing now a nonalcoholic drink in which the grapes are fully utilized—the drink is made, but the alcohol is extracted from the beverage. That is true, is it not?

Representative KAHN. That is grape juice.

Mr. DINWIDDIE. I have seen the advertisements.

Representative KAHN. That is grape juice made by that association. But the managers of the association tell me they could not begin to sell the quality of grape juice that would be made if they

would endeavor to make all of their grapes into grape juice. They call it Calwa.

Mr. DINWIDDIE. There is another one called Calvino; I have some of it, which they were kind enough to give me.

Representative KAHN. Calwa is made by the California Wine Association. It is a name made up of the initials of the association. Calvino is probably made by some other concern.

Mr. DINWIDDIE. No; by the California Wine Co.

Representative KAHN. The California Wine Association.

Mr. DINWIDDIE. Do you know also that it has been proven that the California grape is susceptible to the same sort of treatment that the wine grape is in the Trentino, in Italy, whereby they can make a nonintoxicating and nonalcoholic beverage out of that particular grape? That does not affect this year's crop; it goes to the question of the loss of the vineyards.

Representative KAHN. I want to say this, Mr. Chairman and gentlemen of the committee, that the development of the wine industry in California is very interesting. There are a great many Italians interested in the Italian-Swiss colonies' plant. The Italians from that very section of Italy that the gentleman speaks of, the Trentino, and around Asti and that part of the country, took up 5,000 acres of land, which at the time they took it up supported 5,000 sheep and one shepherd. They invested their money there and they built up an institution that has 10 miles of vines as you ride through their property on the railroad. They have a number of villages of 300 to 400 inhabitants. They have schools, they have public buildings. That was all done by these Italians on this land which only supported sheep and one shepherd at the time they took it. A more sober, industrious community you will not find in the United States.

Now, they have tried in California. Mr. Chairman, to make wine, even the sweet wines, without introducing the grape brandy. It has not been a howling success. The wine was made a little sweeter than it had been, by allowing the wine to ferment to a certain point and then pouring into it some concentrated form of the grape juice that they had been using for making that wine. That in turn brought back an addition of the sugar content of the wine. But it never made a wine like the port and the sherry and Madeira you buy for medicinal purposes in the drug stores of this country, and so the company had to go out of that business. They have tried—I know that—to do these things, and they were not successful.

Senator WADSWORTH. You say they have commenced to go out of the business of growing wine grapes?

Representative KAHN. Yes, sir.

Senator WADSWORTH. Is that because they fear legislation?

Representative KAHN. Yes. And they are of the opinion that there is a possibility and a probability that the Sheppard amendment will be adopted by 36 of the States of the Union, and therefore they feel that while the matter is being passed upon by the States of the Union they can liquidate their business, and if they are not interfered with they will liquidate their business. But I do not feel that with their enormous investment they should be practically penalized.

Senator SMITH of South Carolina. Is there any further statement you desire to make?



Representative KAHN. No, Mr. Chairman. I thank the committee for its extreme kindness to me.

Senator SMITH of South Carolina. Is there anyone else who desires to speak in opposition to the Jones amendment?

**STATEMENT OF MR. JOHN J. KEARNEY, SECRETARY-AGENT OF THE HOTEL AND RESTAURANT EMPLOYEES' INTERNATIONAL ALLIANCE AND THE BARTENDERS' INTERNATIONAL LEAGUE OF AMERICA, BOSTON, MASS.**

Senator SMITH of South Carolina. Will you please state your name and whom you represent?

Mr. KEARNEY. John J. Kearney, secretary-agent of the Hotel and Restaurant Employees' International Alliance and the Bartenders' International League of America, of the city of Boston, representing 6,000 employed in the industry in the city of Boston and connected with an industry having a total membership of 75,000 in the United States engaged in occupations connected with liquor industry.

Senator NORRIS. I want to get at just exactly the people you represent. That includes all the bartenders?

Mr. KEARNEY. That includes 478 local unions all over the country.

Senator NORRIS. Of whom does the membership of those unions consist?

Mr. KEARNEY. Of waiters, waitresses, bartenders, and cooks.

Senator NORRIS. What per cent of bartenders?

Mr. KEARNEY. About 40 per cent—I should say 50 per cent of the membership are bartenders.

Senator NORRIS. And the hotel waiters?

Mr. KEARNEY. The waiters would be about 35 per cent.

Senator NORRIS. They are waiters in hotels?

Mr. KEARNEY. Hotels, restaurants, and cafés.

Senator NORRIS. Those are hotels and restaurants that sell liquor as a beverage?

Mr. KEARNEY. Yes, sir.

Senator NORRIS. Confined to those?

Mr. KEARNEY. Yes, sir.

Senator NORRIS. Do these unions include any of the dealers?

Mr. KEARNEY. No dealers.

Senator NORRIS. Nor manufacturers?

Mr. KEARNEY. No.

Senator NORRIS. Then this body that you represent consists entirely of people who in one form or another dispense liquor to the consumers?

Mr. KEARNEY. Yes, sir.

Senator NORRIS. Forty per cent of them are bartenders?

Mr. KEARNEY. I should say 50 per cent are bartenders, 35 per cent waiters, 10 per cent waitresses, and 5 per cent cooks.

Senator NORRIS. Now, give me the number again, all told.

Mr. KEARNEY. In the international union, I believe, we have about 71,000 members.

Senator NORRIS. Does that include all those people that are engaged in that business?

Mr. KEARNEY. That includes all the people engaged in that business.

Senator NORRIS. Then it is safe to say that in the United States—it is confined to the United States, is it?

Mr. KEARNEY. The United States, and we have, I think, two locals in Canada.

Senator NORRIS. Would it be safe to say then that there are over 71,000 people who are either bartenders or waiters, employed where intoxicating liquors are dispensed?

Mr. KEARNEY. In the last five or six years a considerable number of States have adopted prohibition, and I think we could say that of those 72,000 perhaps 15 per cent are working in prohibition territory at the present time.

Senator NORRIS. They are still members of the union?

Mr. KEARNEY. We have lost a considerable membership through that.

Senator NORRIS. Do you still maintain your unions in prohibition States?

Mr. KEARNEY. We have not been successful in maintaining them in prohibition States. The unions have gone out of existence, the men have found employment in some other industry, and those who have been unable to find employment have gone into other States.

Senator NORRIS. What per cent of this membership are men and what per cent women?

Mr. KEARNEY. I should say about 10 per cent women and 90 per cent men.

Senator NORRIS. Then it is safe to say, is it, that in the United States of all the people that are dispensing liquor as waiters or bartenders, 90 per cent are men and 10 per cent are women?

Mr. KEARNEY. Yes; but I do not want the committee to have the impression that there are only 72,000 people employed in the industry. That is all the men and women that are in our international union.

Senator NORRIS. That does not include those engaged in the making of the various intoxicating liquors?

Mr. KEARNEY. No.

Senator NORRIS. Are they unionized?

Mr. KEARNEY. A great many of them are. And it does not include the thousands of waiters and bartenders and waitresses that are eking out an existence by selling intoxicating liquors that are not organized.

Senator NORRIS. O, I thought you had nearly all in the United States in the order?

Mr. KEARNEY. No.

Senator NORRIS. I am trying to get the figures from you.

Mr. KEARNEY. I am giving the figures for our own union.

Senator NORRIS. I am trying to get the figures in order to find out, if I can, how many there are in the United States engaged in dispensing liquor, either as bartenders or as waiters. I thought maybe you knew that.

Mr. KEARNEY. I am giving it as nearly as I can. Take the city of Boston, for example; you may get an idea from that. We have in the city of Boston about 2,000 men employed as bartenders and we have about 1,500 waiters and we have about 600 waitresses and about 500 or 600 cooks, all employed in hotels and restaurants that have liquor licenses.

Senator NORRIS. Are they all members of your union?

Mr. KEARNEY. That are all members of the union.

Senator NORRIS. How many in Boston of these classes that you mention, if you know, are not members of the union? I want to get an idea about the entire number.

Mr. KEARNEY. I think there are about 500 bartenders that are not members of our union and there are about an equal number of waiters employed that are not members of our union.

Senator NORRIS. Now, can you tell me what per cent of these bartenders and waiters who are men within the draft age?

Mr. KEARNEY. Yes, sir. Out of 1,500 waiters we have about 330 in the draft age that are affected by the order of Gen. Crowder, effective the 1st of July, from a poll that we took of our own members.

Senator NORRIS. Now, the bartenders?

Mr. KEARNEY. The bartenders, I believe, show a smaller percentage—about 200.

Senator NORRIS. That is, there are about 200 out of—

Mr. KEARNEY. There are 200 out of nearly 2,000 that are within the draft age.

Senator NORRIS. You are speaking now of Boston only?

Mr. KEARNEY. Yes, sir.

Senator NORRIS. They are between 21 and 31 years old, are they?

Mr. KEARNEY. Yes, sir.

Senator NORRIS. Will that proportion hold true as to the balance of the country?

Mr. KEARNEY. I could not say. Boston has had license for a number of years, and quite a number of the bartenders have been employed in the industry for a number of years. I think we found that out of 1,600 that we were able to collect a poll on, 700 were over 50 years of age; we found 300 were over 55 years of age, and I think there were 200 over 60; so that between the ages of 50 and 60 I think we had almost 800 or 900 men.

Senator NORRIS. Is this true, that your interest in this legislation is because the passage of the so-called Jones amendment would throw these people you represent out of employment?

Mr. KEARNEY. Absolutely.

Senator NORRIS. That is the only interest you have in it?

Mr. KEARNEY. That is the principal interest.

Senator NORRIS. Let me ask you another question. What is the financial condition of these people that you represent who are engaged in dispensing liquor, as a rule?

Mr. KEARNEY. The waiters and bartenders have really nothing to fall back upon. Their wages have been very small. They have been consuming from week to week all they have.

Senator NORRIS. Do you know what per cent of the men are married?

Mr. KEARNEY. I think about 75 per cent. or, perhaps, 80 per cent of the bartenders are married, and I should say that about 80 per cent of the waiters are married.

Senator NORRIS. Take the females that are members of the union; what per cent of them are married women?

Mr. KEARNEY. I could not answer that. Quite a number of them are married, and quite a number of them are supporting their



families—mothers and children. I should think that the average as to the waitresses would be about even between married and single.

Senator NORRIS. As a matter of fact, then, if these people are in such bad condition, their employment is not giving them what you would call a financial success, is it?

Mr. KEARNEY. No.

Senator NORRIS. Could not the most of these people, particularly at this time, get other employment that would be much more remunerative?

Mr. KEARNEY. No; they can not. That has been told to us, and no doubt has been told to you, and will be told to you by people who, under the disguise of conservation of food, are demanding nothing more nor less than prohibition. This is not a conservation of food proposition by these people who are advocating the Sheppard or the Jones bill, Senator; it is prohibition. It is the same argument they have used here to-day, or will use, as they have used it for years. The war has given them conservation of food as an added argument to secure what they want.

They tell you that the members of my union can find other employment at the expiration of 30 days after the passage of this act, and therefore the outlook is very bright for my men to find employment.

If I took you to Boston, notwithstanding the newspapers contain many advertisements for help, I could put you in line, and you would be in line two or three days before you would reach the door of the clerk who takes applications of those seeking positions. There is an abundance of labor in Boston, and men can not find work. Two thousand men at least out of the four thousand that I represent, of the male end of my organization, are considerably beyond the draft age and physically unfit to do manual labor. Nearly all of them in Boston are between the ages of 50 and 60, and the only work these men can get is competing with the foreigners with the pick and shovel. These men who have been working in this industry for a number of years can not do that kind of work. Whether that is true all over the country or not, I can not say.

The Sheppard and Jones amendments, Mr. Chairman, affect principally wine and beer. From the discussion here I believe there is some doubt in your minds relative to the wine, and if beer is left at 2½ per cent I think I can safely say that after the whisky supply we now have in this country is gone you will have solved the prohibition problem. I think you will have prohibition complete, and by stopping the sale of whisky and permitting us to sell beer, ale, and wine we believe our employment will be saved, and these men will continue to be employed in the industry.

I live within a stone's throw of the Cunard Dock in East Boston, where I see boats coming every day unloading ale containing 7 or 8 per cent alcohol. We are shipping grain to England, and it is returning to us in the shape of ale, 8 per cent alcohol, while we in this country are drinking beer which is almost nonalcoholic, and that has been permitted to go on without any protest from us. But if this goes any further we must protest because of our employment.

Now, the shipping back into this country of ale containing 8 per cent alcohol, which can be purchased in Boston in any of the hotels,

is an indication that England herself continues to brew this beer and brew it from grain that we send there. Not only that, but the munition workers in England protested against the taking away of their beer and ale containing 7 or 8 per cent alcohol, while the workingmen in the munition factories of this country are content with beer containing  $2\frac{3}{4}$  per cent alcohol. As an illustration, in Portsmouth, N. H., which recently went no-license, a large number of mechanics left there and came to Boston to work because they could get their beer and ale.

I personally have been opposed to whisky, and I advocated some years ago that our international union might assist the prohibitionists in the wiping out of whisky, because I saw it was inevitable, that whisky was not necessary either as a food or a beverage, and that the doing away with whisky would allow us to remain in our occupation, our international union would remain intact, and we would continue to be engaged in that occupation.

That has been done, but if the Sheppard or the Jones amendment goes through it will be giving us only one month's notice to find other jobs. I wonder if the Senate of the United States will provide for these old men that are going to be put out of work. I wonder if you will make a provision in your Jones bill or Shepard bill that the National Government will set aside \$10,000,000 additional appropriation to provide for education or training of some kind, that these men and their families may not suffer, that they may be provided with some kind of work, and give them sufficient time in which to do it.

To pass this bill, and one month thereafter order the entire number of men out of employment, I believe, is un-American, is unpatriotic, it is unfair, because we have been engaged in this business for a number of years, and we do not believe the Congress is using us right when they do any such thing as that. This liquor industry is centuries and centuries old, liquor drinking is centuries and centuries old, and I do not think you can abolish it in one month as provided in this amendment.

I would like to have heard the proponents of the amendment first, Mr. Chairman. I believe perhaps we could have found some reason for this measure. What is the necessity for it? Has drunkenness increased? Are the workingmen drinking to excess? Are our soldiers debauching? What is the reason for this hasty amendment? Is the food supply so dangerously low that it is necessary for this to be done inside of a month? What is the reason? It is not a conservation measure; it is purely and simply prohibition, nothing else. We think it is unfair, now that the States have been asked to act upon the separate amendment to the Constitution and that those States might well act upon it during this period of the war.

We have our constitutional convention sitting in Boston, determining whether the people next November will vote upon the question of State prohibition in Massachusetts in May, and if the people do so decide, then, of course, it is necessary that it be done. But I shall ask the Legislature of Massachusetts, if the legislature wipes us out of business, to make a provision in their enactment to take care of the thousands of men that have been engaged in the industry for years and years and are no longer able to carry out any other

line of occupation—that they be provided for, or they will become pensioners or paupers on the Commonwealth wherein they live. A great many of the men have left no-license territory and have flocked into wet territory and they are there, and when that State wipes out the business they go somewhere else and take their families with them.

I believe that the labor movement of this country ought to be brought into this subject. I believe it should be talked over with them, and I believe you ought to be careful of the effect it will have upon the thousands of munitions workers in all large cities. Within a radius of 8 miles of Boston, within the last eight months we have got, I believe, between 45,000 and 50,000 men and women employed in new industries, in industrial work that is new to them, in the munition factories, in the shipyards, and in the Watertown Arsenal. They come into Boston and have their beer and their ale and, a great many of them, their whisky. And there has not been any increase in drunkenness in our city of Boston, and our population has increased from 75,000 to 100,000 in the last eight months. They would rather work in and around Boston, because they get their ale and their beer, and they have been accustomed to it. Take it away from them and I believe it will be dangerous, and there may be a repetition of what has happened in England.

Senator GRONNA. A great many of those employees are women, are they not?

Mr. KEARNEY. In a great many of the factories. Out of about 45,000 I should say that 20,000 are women.

Senator GRONNA. Do they demand their beer and whisky as well as the men?

Mr. KEARNEY. Yes, they do; especially the foreign women. They live in and around South Boston. They have it brought to their houses and they drink it.

Senator GRONNA. Speaking of the loss of employment, while undoubtedly many of the bartenders would be without employment it would not necessarily take the waiters and waitresses nor the cooks out of employment, would it?

Mr. KEARNEY. Well, it would in a measure; yes.

Senator GRONNA. People would still eat if you did away with the barrooms?

Mr. KEARNEY. I realize people would still eat, but I would say 20 per cent of the waiters would be thrown out of work in places where drinking is the main business, where people resort to drink rather than to eat.

Senator WADSWORTH. I would like to ask the witness if he can say, in connection with his description of the munition workers and the fact that they desire something to drink, whether it is mostly beer?

Mr. KEARNEY. I believe it is mostly beer. I believe they are content with beer, and if my information is correct a great many of the munition workers in Portsmouth, N. H., petitioned the Government asking permission to establish a beer place so they might have their beer or ale there. I do not know what has been done about that; there seemed to be some possibility that it might be done, the State of New Hampshire being a dry State. Not only that, but the court has prohibited their drinking nonalcoholic drinks, such as bevo, and



they have arrested people there for the sale of that nonalcoholic drink. When men work hard and have been accustomed to have ale and beer I do not believe they like the idea of having it taken away from them all at once. If there is anything to be taken away, I think if you would take away whisky you will have the solution of the whole problem.

If the decrease in the output of the breweries is carried any further—I believe it is 70 per cent of their output—if that is reduced to 50 per cent it will further diminish the consumption of beer. But I believe the United States revenue statistics will show you that while we have 26 States prohibition and half the Nation dry the per capita consumption of beer has increased 50 per cent, so that one-half of the Nation is either drinking what the whole Nation formerly drank, or else the dry territory is still drinking its pro rata share, and more than that.

Senator NORRIS. Do you mean by that that prohibition will mean an increased consumption of beer and whisky? If it does, then you will have to employ all the more men instead of some of them being driven out of employment.

Mr. KEARNEY. No; I am merely quoting the statistics as against the claim of the prohibitionists that prohibition will prohibit.

Senator GRONNA. The brewers who testified before this committee a year ago testified that the consumption of beer has been reduced. When I asked the question of Mr. Pabst why it had been reduced, he said it was due to many of the States going dry. That is testimony from one of the largest beer manufacturers in the United States.

Senator WADSWORTH. I think you will also recollect, Senator, that in that same hearing it was testified that the per capita consumption of whisky had increased, the reason being that when a State goes dry it is almost impossible to violate the law by the sale of beer, but it is quite possible to violate the law by the sale of whisky, because it is so compact and can be secreted in a smaller place.

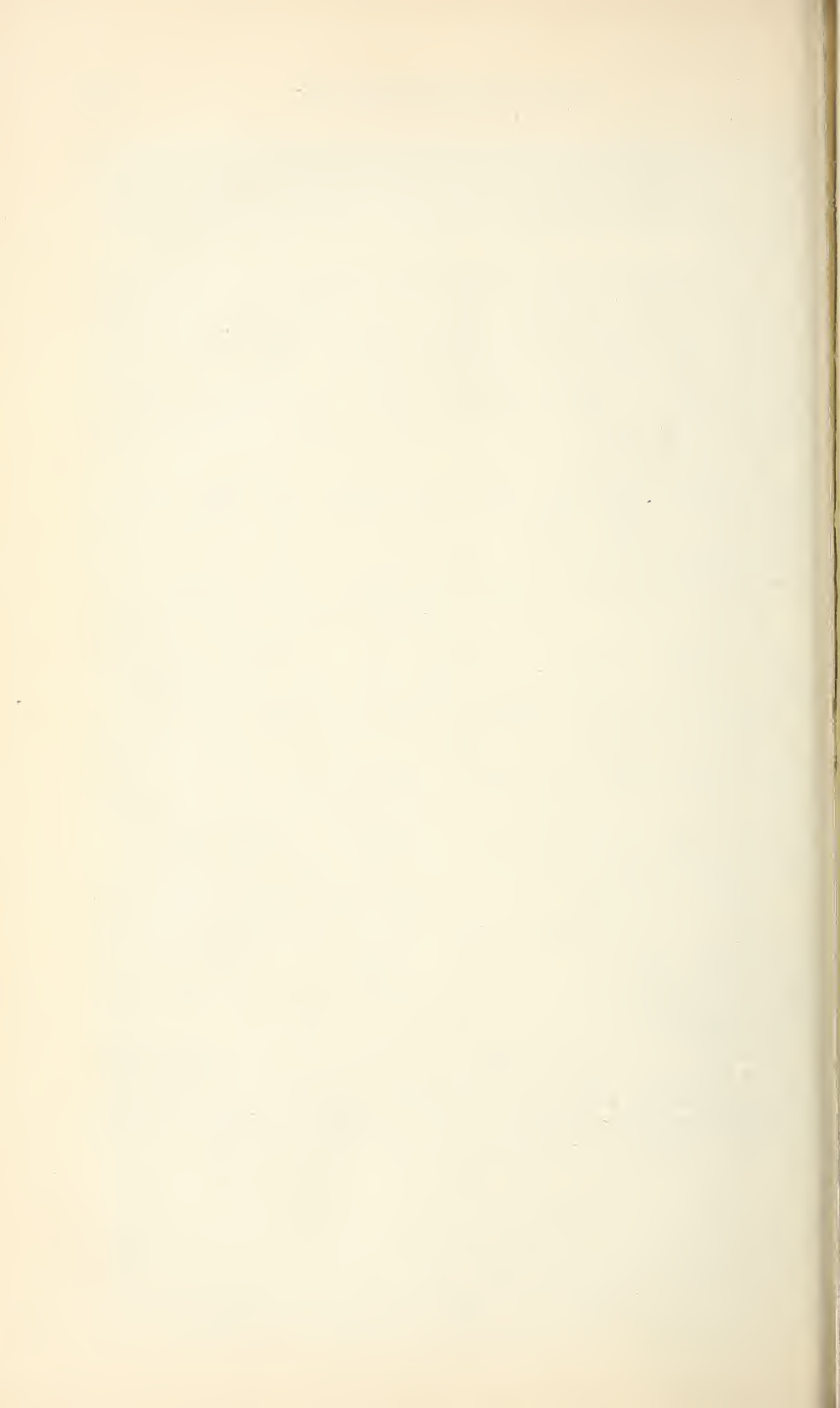
Senator GRONNA. I also want to say, in reply to that, that I testified I knew the statement was not true with regard to my State.

Senator WADSWORTH. The fact remains that the per capita consumption of whisky has increased in the United States; it can not be denied; in spite of the fact that a large part of the territory has supposedly gone dry. Somebody is drinking it, and they are not drinking the same amount of beer, because in those dry States they can not get beer.

Senator GRONNA. Of course, I can only speak for my own State. I know there is very little liquor of any kind consumed in my State.

The CHAIRMAN. The hour of 12 o'clock has arrived, and the committee will stand adjourned until 10.30 o'clock to-morrow morning.

(Thereupon, at 12 o'clock m., the committee adjourned to meet at 10.30 o'clock a. m. to-morrow, Tuesday, June 18, 1918.)



# FOOD PRODUCTION ACT, 1919.

TUESDAY, JUNE 18, 1918.

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY,  
*Washington, D. C.*

The committee met at 10.30 o'clock a. m., Senator Ellison D. Smith presiding.

Present: Senators Smith of South Carolina (acting chairman), Sheppard, Ransdell, Thompson, Johnson, Kendrick, Page, Gronna, Norris, and France.

Senator SMITH of South Carolina. Mr. Lea, will you kindly state your full name and occupation?

## STATEMENT OF HON. CLARENCE F. LEA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA.

Representative LEA. My name is Clarence F. Lea; I represent the first district of California.

I am glad to have this opportunity of presenting the situation to you from the standpoint of the grape growers of my State, those who are engaged in grape growing for the manufacture of wine.

Senator PAGE. One word before you proceed. Of course we want to hear you, although I have another committee meeting which is very important, the Committee on Banking and Currency, but I do not think we could have had a more able address setting forth the interests of the California grape growers and wine producers than we had from Representative Kahn yesterday. He set forth the situation very fully, and so far as your statement pertains solely to the same matter that was dealt with yesterday, I wish you would not elaborate any more than is necessary.

Representative LEA. Thank you. I will try to state my position briefly. I come from what is the greatest dry-wine-producing county in California, and one of the greatest wine-producing sections in the world. The wine industry was introduced into California by the Christian missionaries in 1772. Since that time it has gradually developed until to-day there are over 160,000 acres of wine grapes in the State of California. Sixteen thousand acres of those grapes are in my county.

A large part of those grapes are what are called resistant vines. It costs from \$200,000 to \$300,000 an acre to raise those vines to producing, which requires four years. There is no income from those grapes until they are four years of age. At the present time the crop is on the vines. The expense of producing it has largely been



incurred. The ground can be used for no other purpose, and the grapes have no market value except for producing wine; that is, they are not used for any other purpose to such an extent to give them a market value outside of wine production.

They have no food value. The wine-producing grape is entirely different from the raisin grape and the table grape. It has a very delicate skin and is full of juice; it will not stand shipment; and it has no food value whatever.

Now, if our grapes can not be used for the production of wine they will almost entirely remain on the vines and rot. They did that in 1914, when they raised the tax on them before harvest time to such an extent that they could not finance the grape crop, and there were hundreds of thousands of tons of our grapes remained on the vines and rotted.

The justice of allowing time in placing prohibition in effect is recognized in the Federal amendment, which provides that it shall not go into effect until one year after its ratification by the necessary number of States. If the growers of California can be given time to arrange for prohibition, they can very greatly minimize the damage they will suffer on account of prohibition.

I want to bring home to you the situation in California as to the thousands of families dependent on these vines. The grape growers in California are an honest, law-abiding class, the same class of men that raise corn, wheat, rye, and other crops in the East. Thousands of those families are absolutely primarily dependent upon the grape crop of this year. There are soldiers in Europe whose families are dependent upon those grapes. If the Randall amendment, as proposed, should pass, it would deprive the families of many of our soldiers of their means of livelihood, and I think that no one, from the standpoint of morals, of fair dealing, or of patriotism, can justify taking from the families of soldiers while they are over in Europe, 6,000 miles away, fighting for our country. It would rob them of their means of livelihood.

Senator NORRIS. Mr. Lea, if we eliminated from this bill all reference to fruit and vinous liquors, would your opposition end then?

Representative LEA. I believe it is inadvisable to stop the manufacture of the light liquors. I voted to prevent the manufacture of distilled spirits. I would be willing to vote to prevent the manufacture of distilled spirits; but I do believe that this Government can not afford to do anything that is not fair and just between man and man. Every citizen in this country has a right to look to it in perfect confidence for a square deal. Even the manufacturers of distilled spirits—although I have no interest in them whatever as far as any financial consideration is concerned—are entitled to look to this Nation for a square deal. We attempt to do that for the man who commits the greatest crime; and I believe we should do that for the people who have the stock on hand. I am not here, however, to speak for them—

Senator NORRIS. You are speaking now of distilled spirits?

Representative LEA. Yes.

Senator NORRIS. There is not any stock of beer on hand?

Representative LEA. No material stock; no.

Senator NORRIS. Let me ask you this. The principal argument, one which I think will appeal to everybody to greater or less extent, in

favor of you opposition to the prohibition of wine, is that the grape is not a food product. In the case of beer that argument does not apply, does it? As I understand, there are a good many Members of Congress, as well as people outside, who regardless of the prohibition question want to conserve food, because we are short of food, and feel that to use grain and other food products for such purposes is not right. On that basis, what is your objection to an amendment that would prevent the use of grain and food stuffs in the manufacture of beer?

Representative LEA. I think there is a broad distinction between the two cases, as far as that is concerned. I do believe that it is inadvisable to absolutely stop the manufacture of 2.75 per cent beer. On that subject I would like to call the attention of the committee to the investigation that was made in England. England was divided into eight sections, and three commissioners were appointed for each section for the purpose of investigating industrial unrest. England placed some severe restrictions upon the liquor business. She compensated those who were injured, but she permitted the manufacture of light beer. These commissions reported practically unanimously—in fact, there was no adverse report—that it would be detrimental to the best handling of the war to have absolute prohibition. But they were in favor of restrictions. This is a very interesting report. It is contained in the United States Department of Labor, Bureau of Labor Statistics, Bulletin No. 237. The particular subject is discussed on pages 13, 17, 59–60, and 98–99.

Of course, as the Senator has pointed out, there is a broad distinction between these two cases, because the manufacture of beer does consume a food product, a materially important food product. That can not be denied. At the same time, of course, our barley is being sent to France and England for the manufacture of beer there, and to a certain extent there is an inconsistency in our sending barley there for that purpose and denying its use for that purpose at home.

Senator NORRIS. Yes; that is inconsistent; but after all, assuming that we ought to prohibit the use of barley, which is a food product, for the manufacture of beer, should we continue to manufacture it here because somebody else does? Could we not prohibit the exportation of barley to any other country?

Representative LEA. My own view would be that we might reach the point where we would be justified in permitting it to be used by the other countries and not in our own, because it may be a more pressing problem there than it is here.

Senator NORRIS. That is probably true in England, is it not?

Representative LEA. I think it is.

Senator NORRIS. There all the people drink ale?

Representative LEA. Yes; and I believe that in England the situation was more intensified than it was in our own country from the standpoint of the necessity for the light liquors.

Senator SMITH of South Carolina. Mr. Lea, let me call your attention to this: The time in which this subject was to be discussed pro and con is limited. I presume you would prefer to confine your own remarks to the peculiar conditions that exist in your State?

Representative LEA. Yes; because I am interested in that primarily, because I live among those people.

Senator SMITH of South Carolina. I thought I would call your attention to that so that you would know the time is limited, and if there is any specific points to which you care to address yourself you may do so.

Senator NORRIS. I diverted Mr. Lea, but only in order to get his idea about how he would feel if we eliminated his principal objection.

Representative LEA. The primary thing I am insisting on is the injustice of depriving people of the reward of their labor after the expense of producing their crop has been incurred, while the vines are approaching harvest time and the ground can be devoted to no other purpose.

According to the reports of the Department of Commerce, France last year produced about 900,000,000 gallons of wine. France is certainly conducting this war heroically and successfully. She is a small country, pressed for food and everything that gives her strength in war, but yet she has never seen fit to take an action that would deprive her people of the reward of 1 gallon of wine. In the worst year of the war they produced 900,000,000 gallons of wine.

Speaking of the beer situation, there is to a certain extent a similar situation with reference to the hops growers. There are 3,500 or 4,000 acres of hops in my country, and I think there are perhaps 35,000 or 40,000 acres in the United States. It costs about \$100 an acre to place hops lands in a condition to produce hops, so it costs about 12 cents a pound to produce the hops in the bale. At the present time probably 7 cents of the total cost of production of hops has been incurred, and to the limited extent that the hops industry is involved, that situation should, I believe, be considered by the committee.

Senator NORRIS. Mr. Lea, do you think, assuming it is necessary to conserve all the food we can, we ought to refuse to do it because it puts somebody out of business, if we need that food to win the war?

Representative LEA. No; but I believe this Nation is great enough and rich enough to be just and fair to its humblest citizen. I believe there is no reform so meritorious that it can not be put into effect by methods that are fair and just and that commend themselves to the citizenship of the country.

Senator NORRIS. Do you think we ought to compensate the bartender because he would lose his job?

Representative LEA. No; I think not.

Senator NORRIS. Is not that in line with the same argument?

Representative LEA. I am not here in defense of the saloons at all; I do not want anybody to get that idea. But I think there is a fair way to handle this matter, and justice can largely be accomplished by giving time. We have had this industry in California for 146 years. I do not believe there is any such pressing necessity as would require us to deprive those people of the reward of their labor while their crops are hanging on the vines.

Senator NORRIS. My last question was in reference to hops. I agree with your argument as far as the conservation measure is concerned, as far as it affects grapes, because they are not a food product. And while hops is not a food product, it goes into the manufacture of beer where a food product is used. So I think they are entirely different cases.



Representative LEA. My position is this: Bread must, of course, come before any kind of liquor; there can not be any question about that. The thing is that we should have a real necessity for that. The power is in the hands of the President. I believe he has the ability and the willingness to try to reach the solution that is best for this country. Power intrusted to a discretionary body is the policy that has been pursued by France, England, and Germany; and I believe that is the wisest policy for us. Russia, of course, adopted a prohibition policy, and Turkey has always been a prohibition nation, but is not the leadership of England, France, and Germany on those matters of greater value to us than that of Russia and Turkey?

In closing, I want to say just this: The grape industry is to us in California comparatively a big one, but it is a small one to this Nation. California is doing its war work nobly, just as patriotically, efficiently, and worthily as any State in this Union. I do not claim any superior patriotism for us; I thank God we are all patriotic, and I believe we all want to do what is right for this country. But I want to say that before the other States of this Union punish us in this manner it would be just that they should show that they are contributing something to the war that we are withholding. So long as we do everything that can be required of a patriotic, country-loving, brave, and self-sacrificing people, I believe the other States of this Nation should be considerate of our peculiar conditions and not inflict upon us this thing that we believe would be an injustice.

If this Nation determines that prohibition is necessary for the conservation of grain, or the conservation of its manhood, then let it be accomplished, but let us do it in a fair and just way. No legitimate reform needs to adopt methods that are unfair. Nobody is going to gain in the end by those methods, and if this reform is meritorious let it be accomplished in that way.

I thank you, gentlemen.

Senator SMITH of South Carolina. I have been notified that Mr. Wheeler would speak this morning for the Anti-Saloon League. We will hear you, Mr. Wheeler.

**STATEMENT OF MR. WAYNE B. WHEELER, GENERAL COUNSEL OF  
THE ANTI-SALOON LEAGUE OF AMERICA, WASHINGTON, D. C.**

Senator SMITH of South Carolina. Mr. Wheeler, please state your full name, and the capacity in which you appear here.

Mr. WHEELER. My name is Wayne B. Wheeler; I am general counsel of the Anti-Saloon League of America.

As I understood it, I was to address myself to the question of the constitutionality of a complete war-prohibition measure. We believe that Article 1, section 8, of the Constitution, gives ample authority for the enactment of such a measure. It provides, among other things, that Congress shall have the power to declare war, to raise and support armies, to maintain the Navy, to provide the common defense and general welfare, and to make all laws necessary for carrying into execution the powers vested by the Constitution in the Government of the United States or in any department or officer thereof.

I think it is pretty generally conceded now that these powers authorize Congress to pass an act that would prohibit the manufacture of food materials into intoxicating liquor, because that would have a close and vital relation to the supporting of the Army and the Navy and those who are back of them at home.

Senator NORRIS. I would like to suggest this, Mr. Wheeler. As far as I know, no one contests that proposition. I believe that is conceded, as far as you have gone.

Mr. WHEELER. Now the question arises, as I understand it: Does this authority give Congress the power to pass a law prohibiting the sale of intoxicating liquors?

Senator NORRIS. Particularly distilled spirits, which would involve the same constitutional question. That is the only thing involved here in this amendment.

Would it interfere with you if I read into the record now, so that you might comment on it if you see fit, an amendment that I have prepared as a substitute for the Jones amendment?

Mr. WHEELER. It would not interfere with my argument. I would be very glad, in order to save the time of the committee, if you would allow me, in making two or three of these main points, to put in the full quotation from the authorities rather than to take the time that would be necessary to read it.

Senator NORRIS. I think there would be no objection to that.

Senator SMITH of South Carolina. Without objection that may be done.

Senator GRONNA. I do not want to interrupt your argument—I assume you have it prepared—but personally I would like to hear you on the question of the constitutionality of the provision in the Jones amendment which prohibits the sale of liquor. You understand, this liquor is already manufactured. I refer, of course, to the distilled liquors already manufactured, and most of which is now held in bond. I am not speaking of beer at all. The constitutionality of prohibiting the sale of distilled liquors now in bond is the particular part of the amendment that I would like to hear you on.

Senator NORRIS. That is what I would like to hear you on, and that is the reason I would like to have your comment on this proposed substitute for the Jones amendment.

Mr. WHEELER. If you care to read it into the record, I will be very glad to give you my opinion.

Senator NORRIS. It reads as follows:

That from and after the approval of this act and during the continuance of the present war, for the purpose of conserving the man-power of the Nation and to increase the efficiency of the production of arms, war munitions, food, and clothing for the Army, it shall be unlawful to sell, give away, furnish, or transport any distilled spirits for beverage purposes; and no distilled spirits held in bond at the date of the approval of this act shall be removed therefrom for beverage purposes. The President is hereby authorized and directed to prescribe rules and regulations in regard to the removal of distilled spirits now held in bond for other than beverage purposes.

After 30 days from the approval of this act and during the continuance of the present war, no grain, cereal, or other food product shall be used in the manufacture or production of beer or other intoxicating malt liquors.

Any person who violates any of the foregoing provisions or any of said rules and regulations made to carry the same into effect shall be deemed guilty of a misdemeanor, and shall be punishable by a fine not exceeding \$5,000, or by imprisonment for not exceeding two years, or both.

I want to call your attention, Mr. Wheeler, to the fact that that amendment, if agreed to, would apply to the sale of distilled spirits and would also apply to the use of food products in the manufacture of beer.

Mr. WHEELER. But would not prohibit the sale of beer and wine?

Senator NORRIS. It would not prohibit the sale of beer and would not prohibit the manufacture of wine out of fruits and other things that are not food products.

Mr. WHEELER. Or the sale of wine that is already in existence.

Senator NORRIS. There is no attempt to prohibit any sale, except as to distilled liquors which are now in bond.

Senator SMITH of South Carolina. Mr. Wheeler, that is in effect the Jones amendment, save that it does not prohibit the use of fruit, whether that fruit is edible or whether it is for the purpose of the manufacture of wine. The Jones amendment proposes that we shall stop the sale of distilled spirits already manufactured, but it does not prohibit the sale of wine or beer. Of course, in effect it prohibits the sale of beer, in that it prohibits the manufacture of beer; and the beer, as I understand it, can not be kept any length of time; it must be used more or less fresh, and it is so bulky that the prohibition of the use of any food products in the manufacture of beer practically prohibits the sale of beer. So the line of argument in which the committee would be more interested is, What is your opinion of the constitutionality of prohibiting the sale of liquors already manufactured, the manufacture of which is now prohibited, but the sale is not? We would like to have your argument on both points—the amendment proposed by the Senator from Nebraska, and also the proposed Jones amendment.

Mr. WHEELER. I readily see the distinction that Senator Norris and Senator Smith are making between those kinds of liquors, those that are already manufactured and those that are to be manufactured. The argument that I present here will go to the point that the Government in time of war may prohibit both the manufacture and the sale of all kinds of intoxicating liquor for beverage purposes. If after presenting the argument on that point it is not clear, and you desire to ask further questions with relation to this specific amendment, I will be glad to answer them.

The question then narrows itself down to this: Has Congress power to prohibit the sale of intoxicating liquors for beverage purposes—both the liquor that is to be manufactured and sold and that which has already been manufactured? We believe that Congress has that power, and in order to justify that conclusion I desire to place before the committee some of the general principles of law that have been sustained that lead us to that conclusion.

Congress does not need to have specific power conferred by some definite section or in so many words in order to act upon a given subject matter. As the Supreme Court has said, Congress has authority to act when the subject comes within the scope of a group of substantive or expressed powers.

If a number of these powers that are outlined or expressed in the Constitution would naturally give Congress reason to believe that that combined authority would allow them to pass a given act, the Supreme Court would sustain it. That principle was developed first of all, probably, during the Civil War, when the court took a long



step forward in sustaining legislation that before that time never would have been sustained. It arose first in the *Legal Tender* cases, where the court declared that the act of Congress was illegal because it was a violation of the obligation of contract, and then later on the dissenting opinion of Mr. Justice Miller was in effect made the majority opinion of the court.

Justice Miller took the position that in time of war and great national stress Congress had power to enact legislation to meet that situation, and, if it had any relation to the authority which Congress had, the court should sustain it. In 1870 the Supreme Court sustained that principle that was laid down in that dissenting opinion.

Then to go a step further, in 110 United States Supreme Court Reports, at page 412, the court went to the extent of saying that even in time of peace an emergency of that kind could be provided for by an act of Congress. So that while they did not have definite authority from a single section, combining them all in order to take care of the welfare of the Nation and to provide for its safety in time of a great national crisis, the court sustained that legislation.

Justice Miller said:

We were in the midst of war which called all these powers into exercise and taxed them severely. A war which, if we take into account the increased capacity for destruction introduced by modern science, and the corresponding increase of its cost, brought into operation powers of belligerency more potent and more expensive than any that the world has ever known.

He maintained that "the legal-tender act prevented a national disaster. \* \* \* It stimulated trade, revived the drooping energies of the country, and restored confidence to the public mind.

Justice Miller put his dissenting opinion clearly upon the ground that the act in question was necessary as a war measure. He accepted the rule formerly established by Chief Justice in *McCulloch v. Maryland* (4 Wheat., 403), as follows:

Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to the end, which was not prohibited but consistent with the letter and spirit of the Constitution, are constitutional.

In 1870 the cases of *Knox v. Lee* and *Parker v. Davis* (12 Wall., 457) involving the same question, were argued at the court and are known as the *Legal Tender* cases. The court said:

It is not indispensable to the existence of any power claimed for the Federal Government that it can be found specified in the words of the Constitution, or clearly and directly traceable to some one of the substantive powers expressly defined, or from them all combined. It is allowable to group together any number of them and infer from them all that the power claimed has been conferred. Such a treatment of the Constitution is recognized by its own provisions.

Justice Bradley, in delivering a concurring opinion, said:

It is absolutely essential to independent national existence that Government should have a firm hold on the two great sovereign instrumentalities of the sword and the purse, and the right to wield them without restriction on occasions of national peril. In certain emergencies Government must have at its command not only the personal services—the bodies and lives—of its citizens, but the lesser, though not less essential power of absolute control over the resources of the country. \* \* \* Its material of war, its munitions, equipment, and commissary stores must come from the industry of the country.

This decision reversed the decision of the court in *Hepburn v. Griswold* and adopted the dissenting opinion of Mr. Justice Miller

in that case as the law. It was a plain, unequivocal, unambiguous declaration that Congress had passed these acts strictly as a necessity of war; that whether the power was an express one or an implied one really made no difference. The life of the Government was in jeopardy, and the doctrine of self-preservation was resorted to to maintain it. It is true that Justice Bradley, in his concurring opinion in the last cases, said that he "did not put this exercise by Congress as a war power, for other emergencies might arise even in time of peace when it would be necessary for Congress to exercise such power," yet he concurred in the opinion of Mr. Justice Miller and that of Mr. Justice Strong that, as the exercise of a war power, it was entirely within the power of Congress to pass the acts in question.

The second proposition is with reference to war emergency action, which was decided by the Georgia Supreme Court, where in time of war they had actually taken property for public purposes, without compensation. That is contrary to the general principle that if the Government is going to take over property for public purposes it must compensate. The court in Georgia held that that was not necessary. The court said it was not to be doubted but there are cases in which private property may be taken for public use without the consent of the owner and without compensation and without any provision of law for making compensation.

I will insert in the record the rest of that decision. It illustrates the enlarged power of Government in time of war.

The Constitution provides that private property shall not be taken for public use without just compensation, but during times of great emergencies property is taken without compensation. In *Parham v. The Justices* (9 Ga., 341) it was declared:

It is not to be doubted but that there are cases in which private property may be taken for a public use, without the consent of the owner and without compensation, and without any provision of law for making compensation. These are cases of urgent public necessity, which no law has anticipated and which can not wait the action of the legislature. In such cases the injured individual has no redress at law—those who seize the property are not trespassers—and there is no relief for him but by petition to the legislature. For example, the pulling down of houses and raising bulwarks for the defense of the State against an enemy; seizing corn and other provisions for the sustenance of an army in the time of war; or taking cotton bags, as Gen. Jackson did at Orleans, to build ramparts against an invading foe. These cases illustrate the maxim, "Salus populi suprema lex"—"The good of the public is the supreme law."

Willoughby on the Constitution (see 715, sec. ed.) says:

The constitutional power given to the United States to declare and wage war, whether foreign or civil, carries with it the authority to use all means calculated to weaken the enemy and to bring the struggle to a successful conclusion. When dealing with the enemy all acts that are calculated to advance this end are legal. Indeed, the President, in the exercise simply of his authority as Commander in Chief of the Army and Navy, may, unless prohibited by congressional statute, commit or authorize acts not warranted by commonly received principles of international law; and Congress may by law authorize measures which the courts must recognize as valid, even though they provide penalties not supported by the general usage of nations in the conduct of war. Thus, during the Civil War, in certain cases the provision by congressional statute for the confiscation of certain enemy property or land was enforced, though such confiscation was not in accordance with the general usage of foreign states.

Even in dealing with its own loyal subjects the power to wage war enables the Government to override in many particulars private rights which in time of peace are inviolable.

Senator NORRIS. What decision was that?

Mr. WHEELER. That opinion was rendered in the case of *Parham v. The Justices* (9 Ga., 341).

Senator THOMPSON. What was involved there?

Mr. WHEELER. The taking over of cotton bales, and I do not know what all, in time of war. It was actual property which was of real value, and there was not any inherent vice in the property at all.

Senator SMITH of South Carolina. The Supreme Court of the United States would scarcely have upheld that, though, do you think?

Mr. WHEELER. It was never overruled; it never got to the Supreme Court in a way in which it could be overruled.

Senator NORRIS. Was that property taken from the enemy of the country?

Mr. WHEELER. Yes; it was in time of war. That is true; there is that distinction. It is illustrative of the unusual governmental war powers. Take it in connection with the statement that was made by Senator Knox, whom I think you will all admit is a good constitutional lawyer, when he was discussing on the floor of the Senate this very proposition of the emergency that arises in time of war, and how it brings out certain enlarged powers of the Government, which, except for the war emergency, never would be sustained, it is in point. This was Senator Knox's statement:

The war powers of the Constitution, in my opinion, are dormant, until the status of war is declared by Congress, and then they may be exercised without limitation or qualification, to the extent that the safety of the Nation demands. Of this Congress is the judge, except as the Commander in Chief of the Army and Navy in the actual conduct of the war and in the case of great emergency or dire necessity may be compelled to act.

I think that is a sound proposition of law, that the Nation's existence in time of war is paramount. And while Congress can not set aside the Constitution—I would not argue that for a moment—yet if any given act has a reasonable relation to some expressed or combined power in the Constitution the court is inclined to sustain that kind of an act.

This is also reenforced by another proposition of law that has been enlarged upon in construing the article that I read, Article I, section 8 of the Constitution, that Congress has the power to make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by the Constitution in the Government of the United States or any officer or department thereof.

This was the provision that Madison and Hamilton said was criticized probably more than any other provision of the Constitution, because it left such a large discretion in Congress to determine what kind of legislation would make effective certain of those powers and how far you could go beyond the express powers named in the Constitution. Under that, many laws have been upheld which would not be upheld, especially in time of peace. That enlarged power comes from the crises that we meet. The court is now even going to the extent of taking that provision and making it apply in time of peace.

You remember the time that the eight-hour law was up in relation to the railroads. The emergency there had something to do with



the sustaining of that act. In the sustaining of the Webb-Kenyon Act Chief Justice White referred to the enlarged power of the Government over the subject matter. The court is not holding itself down to those old strict constructions that were placed upon it years ago.

I would commend to the reading of the committee the article in the last number of Case and Comment upon the "Growth of the construction of the Constitution by the Supreme Court of the United States." It shows very clearly how the tendency has been to get at the fundamental purpose of that Constitution and not hold so strictly to these technicalities.

In perfect harmony with that proposition the principle of law was laid down in the Purity Extract Co. case that whenever Congress had power or a State legislature had power over a subject matter any other act that had any reasonable relation to that could be controlled by the same legislative body. Under that power State legislatures prohibit nonintoxicating liquors, when the Constitution only gives them the power to prohibit intoxicating liquors; Congress prohibits nonintoxicating liquors in the Territories and in jurisdictions where they have control, and they prohibit a nonintoxicating liquor when technically they only have the power to prohibit intoxicating liquor. Why? Simply because the act has a reasonable relation to the end sought. When they have the power to do a given act and some other act has a reasonable relation to the accomplishment of that act they have the right to pass a law that affects this which would otherwise be an innocent act.

In the case of Purity Extract Co. *v.* Lynch (226 U. S., 192) the court said:

When a State, exercising its recognized authority, undertakes to suppress what it is free to regard as a public evil, it may adopt such measures having a reasonable relation to that end as it may deem necessary in order to make its own action effective.

The same principle was applied in the white-slave case (*Hoke v. State*, 227 U. S., 309):

Congress may adopt not only the necessary but the convenient means necessary to exercise its power over a subject matter within its power.

Now, what relation has the sale of intoxicating liquor as a beverage to the recognized power of Congress in this war crisis? Congress has the power to raise and support armies, to maintain the Navy, to do all these other things which I have pointed out and have read from the Constitution. To raise an army is not all of the task or the obligation or the authority. It is just as much within the authority and the obligation of Congress to support that army as it is to raise it. How do you support an army? Not alone by giving it food. I will admit that is necessary; but you support that army in a hundred different ways—by furnishing it shot and shell, and munitions, and aeroplanes, and you support it by putting back of it a great national spirit and a national enthusiasm and a patriotism and by doing those things which you have been doing here to make it possible for that army to accomplish its task. It is not confined to the material things alone.

What relation has the sale of intoxicating liquor to the support of the Army? It was recognized that the food supply had a relation

to it. It was recognized that the sale of liquor had something to do with it, for you authorized the President to establish dry zones around these camps. You passed a number of laws to support the Army. That you can not point to definite, specific authority for doing it.

Now, if it is a proper support of the Army to take care of the food, to establish these dry zones around the camp in order that we may have a more efficient, a sober Army—a properly supported Army—why is it not, by the same logic, a proper support of that Army to cut off the sale of liquor, the thing which injures that Army and injures every one who is trying to support that Army?

Senator GRONNA. Mr. Wheeler, it is not presumed that this liquor is to be sold to the soldiers or to the Army. I concede, of course, that the Government has a right, or that Congress has a right, to pass a law prohibiting the use of liquor or of anything else—anything that will affect the morale of the Army. But what we have to consider here is that this liquor is in existence. Can Congress prohibit the sale of that liquor to common, ordinary citizens?

Mr. WHEELER. Not only the Army, but those who are supporting the Army. That has a reasonable relation to the support of the Army, and we have a right to see to it that those who are back of that Army—in the factory and on the farm—shall be in a proper environment, the same as we have to have the Army in a proper environment. If you permit the sale of intoxicating liquor to those who are to furnish the supplies for the Army, you are not going to have the supplies for the Army to win the war. It has a reasonable relation to the support of the Army, I think.

Then, take it from this standpoint: A proper support of the Army means that you shall have all those agencies of the Government working up to the point of their best to supply those things. What are we embarrassed with to-day? Lack of transportation facilities to get the food, the fuel, and the supplies to the Army and also to those who are making those supplies. And what the worst of it is this traffic—the wine traffic, the beer traffic, and the whisky traffic—are using about 100,000 cars a year to carry on an industry that does not in any way help to speed up the activities of this war. Worse than that, they use the very cars that are needed most—the refrigerator cars.

You say you want something that has a relation to that. This bill has infinitely more relation to a recognized power than the power of Congress to prohibit an innocent beverage, because that innocent beverages may be a stepping stone to help sell a little of the harmful beverage that we are trying to reach.

Take the other end of it—the need of the factory and of the farm. They are crying for help, and they say that they can not get enough labor to get the supplies to send to the front. But here is an industry, which, according to its own claims, uses up to, I think, 100,000 laborers or more, and it does not help to speed up the activities of the war. Suppose you cut off that industry and release whatever number it may be—100,000 or 200,000—are you not helping to support the Army and the Navy and the work that they are trying to do? If you release those men, you help in that way, and it does have a reasonable relation to the support of these war activities of the Government.

A nation can not win in time of war unless it is up to its best, physically, economically, and morally; and this Nation can not be at its best when it maintains a traffic which the Supreme Court has called a source of misery to society, a traffic that injures the efficiency and health of the people. No government can develop a soldiery, or develop a citizenship to supply that soldiery and keep it up to its best, when it is perpetuating or permitting that kind of a traffic, a traffic that injures the physical and the moral man. The courts themselves have decided that the general use of intoxicating liquors may injure the moral welfare of the people. The officers of the Army and Navy have testified over and over again that liquor is a detriment to the man that is in the Army or the man that is a prospective soldier.

At the time of the Spanish-American War, Col. Maus said that about half of those who applied for the service were physically or mentally unfit because of the use of intoxicating liquor. The recruiting officer at Toledo, Ohio, said, in this war, that if we had the liquor traffic abolished the recruiting of an Army would be a comparatively easy job.

Senator GRONNA. A good many of us believe that, too, Mr. Wheeler, but on the other hand we find that European nations believe in giving their soldiers intoxicating liquors. At least, that is what they are doing. I can readily see that the transportation of liquor from one State to another will, of course, embarrass the Government in the prosecution of the war, but here is a product already manufactured, a product which may be sold within a particular State, and we are saying in this bill that you shall not sell this liquor; we do not say it shall not be sold in interstate commerce.

Mr. WHEELER. No matter whether it has already been manufactured or is to be manufactured, it is the sale of it which injures the Army in carrying out its purpose and work it has in hand. And if the sale of liquor slows down the energies of the Army and Navy or those who support them, it has a reasonable relation to the support of the Army and Navy and the work which they have to do.

Here is what eminent officers and authorities say.

Earl Roberts said:

Thirteen thousand abstainers are equal to 15,000 nonabstainers. Give me a teetotal army and I will lead it anywhere.

Sir John French says:

Abstinence and self-control make a man more serviceable. If men want to see regiments, battalions, squadrons, and batteries, smart and efficient, if they have at heart the fame of the glorious regiment to which they belong, they must practice these great qualities of self-control and self-sacrifice.

Methuen says:

I appeal to these gallant men who represent this great Empire to act their part as England expects them to do; and throw away from them the vile curse of drink, so that they may make themselves fit in body and nerve to face a foe that is as courageous as he is brutal in war.

Lieut. Gen. Sir Reginald Hart says:

As an officer, I support temperance because I know that officers and men who avoid drink are physically and mentally efficient, their nerves are stronger, they march better, there is far less sickness and crime, and their power of resistance is strengthened.



From the military point of view we can not tolerate alcohol among our soldiers. War is merciless; men must be competent; the drinking man makes a bad soldier, no matter how much Germany may believe in feeding up her men on alcohol in order to screw their fighting courage to the sticking point. The army won't stand alcohol because it must conserve its man power.

This is the statement of Gen. Pershing made recently:

From the military point of view we can not tolerate alcohol among our soldiers. War is merciless; men must be competent; the drinking man makes a bad soldier, no matter how much Germany may believe in feeding up her men on alcohol in order to screw up their fighting courage to the sticking point. The Army won't stand alcohol, because it must conserve its man power.

Admiral Sir J. R. Jellicoe says:

As regards straight shooting it is everyone's experience that abstinence is necessary for efficiency. By careful and prolonged tests, the shooting efficiency of the men was proven to be 30 per cent worse after the rum ration than before.

What is true of the soldier is true of the man who makes the supplies for the soldiers and sailors. Neither civilian nor soldier can be at his best for work in the trenches or in the factory when he uses intoxicating liquor. It takes three or four men at home to support one soldier in the trenches. If the civilians at home destroy their efficiency through drink they destroy the support of the Army just as effectively as if the evil result came in direct contact with the Army itself.

I think it is very clear, too, in some of the laws you have been passing, that the Congress has in mind the necessity, in order to back up that Army properly, that you give every encouragement possible to help create a national patriotism and spirit that will back up the Army; any institution in this country that cripples or hamstring the national spirit and national patriotism ought to be eliminated in order that the Army and the Navy may do their work properly and have the support of the people.

The liquor traffic not only weakens our national patriotism and spirit but aids those forces in our Government which are disloyal to it. The essentials to patriotism are intelligence and morality. Liquor endangers both. It makes its deadliest attacks on the brain, as the New York Health Bulletin said. "Civilized man is brute animal plus high brain development. Alcohol destroys the high brain development and leaves the brute animal." Liquor dulls the intellect and weakens moral fiber. It weakens patriotism.

In *United States v. Gettysburg Electric Railway Co.*, 160 U. S. 668, the act of August 1, 1888, the Supreme Court said:

An act of Congress which plainly and directly tends to enhance the respect and love of the citizens for the institutions of his country, and to quicken and strengthen his motives to defend them, and which is germane to and intimately connected with and appropriate to the exercise of some one or all of the powers granted by Congress, must be valid (p. 429).

Again, the court said:

Can it not erect the monuments provided for by these acts of Congress, or even take possession of the field of the battle, in the name and for the benefit of all the citizens of the country for the present and for the future? Such a use seems necessarily not only a public use but one so closely connected with the welfare of the Republic itself as to be within the powers granted Congress by the Constitution for the purpose of protecting and preserving the whole country. \* \* \* No narrow view of the character of this proposed use should be taken. Its national character and importance, we think, are plain. The

power to condemn for this purpose need not be plainly and unmistakably deduced from any one of the particularly specified powers. Any number of those powers may be grouped together, and any inference from them all may be drawn that the power claimed has been conferred (p. 430).

No one can point to any specific authority to purchase the battle grounds and erect the monuments. The court sustained the law on the ground that an act which increased your patriotism and love for your country and was germane to some or all of the purposes or power of the Government, was constitutional.

How has the liquor traffic of this Nation hindered along this line? I hope every member of this committee will read the significant report of the evidence taken before the subcommittee of the Committee on the Judiciary. That report shows the United States Brewers' Association and the allied trades, the liquor trades, are the ones that have been furnishing funds for this unpatriotic organization known as the National German-American Alliance, and they have been crippling the Army and crippling the Navy by crippling the spirit that is back of that Army and that Navy. What does that report show? That the organization was formed for two purposes in this country; one, to promote German kultur, the other, to protect the liquor traffic.

How do they promote German kultur, according to their ideals? First by getting their grip upon the public school and force the teaching of German in those public schools.

The testimony shows that in some of the States they have actually gone in to make an issue to get the majority of the school board so that they could do this very thing. While it is not in that report, you will remember doubtless what Mr. Metcalf, of Nebraska, when he was here, said. He is a member of the Council of Defense. He said that in certain parts of Nebraska, up to 30 days before that time, there were schools where they had not sung the national hymn, but had sung the German national hymn; that in other places they had practically crowded out the English-speaking schools. That was part of the propaganda. It seems to me that instead of having more German in the public schools, to increase the use of a language that falsifies and misrepresents American ideals, we need a little more plain-spoken English to tell about the brutality and the frightfulness of German civilization. And this organization has been for years carrying on that sort of propaganda. They have written in some of their charters the words as an expression of their purpose, "To promote German ideals," to promote German kultur and German civilization.

What is German kultur and civilization? It is the idea that the State can do no wrong; that might makes right; that they can break their treaties as they did with Belgium; and that they can do all those things that are so contrary to the spirit of a true-hearted and patriotic American.

Senator GRONNA. The Senate has prohibited the teaching of German in the schools here. It is hardly necessary to consume time on that.

Mr. WHEELER. Yes; in the District of Columbia, we are thankful to the Senate for taking that action. When this organization, as this report shows, was doing not only this but a dozen other things that are contrary to the interests and the ideals of America, it is clear that it has a vital relation to the matter we are discussing.

Let me read to you some of the testimony.

Here are the page references for every point that I am making along this line: (Outline of evidence taken before Subcommittee of Senate Committee on the Judiciary, second session Sixty-fifth Congress. Page references are to official report.)

Charter provisions of German-American Alliance granted by Congress, 1907, to study American institutions, to cultivate German language, to protect civil and political rights, to perpetuate the memory of German pioneers, and assist in naturalization, etc. (p. 6).

The German Alliance violated its charter (pp. 11-642, and in the manner hereinafter set forth).

It organized Germans in alliances to carry out the plans of the organization and thus hinder the purpose of the Government to become a more perfect union (pp. 22, 37, 38, 692).

Opposed assimilation of Germans in America and was pro-German in activities (pp. 24, 53, 54, 108, 110, 117, 118, 635-643).

Attempted to force the compulsory teaching of German in elementary public schools to Germanize America (pp. 24, 44, 49, 100, 187-659).

Alliance encouraged German press to carry out its program (pp. 42-696).

Promoted German ideals and exalted German kultur (pp. 11, 25, 26, 652-658).

Entered politics to elect officials friendly to alliance program (pp. 31, 47, 7, 33, 35, 65, 107, 124, 128, 306).

Aroused prejudice against England and other friendly nations (pp. 14-65).

Raised money for German Red Cross (pp. 76, 249, 253, 265-271).

Opposed making the speaking of English condition for voting (p. 21).

Opposed loan to allies (pp. 38, 112, 115).

Called our Government a failure (p. 309).

The Kaiser decorated the president of the alliance for his services to Germany (p. 84).

Encouraged disloyalty to oath (pp. 37-61).

Opposed war program (pp. 41, 55, 79, 112, 115, 118-139).

Ally of Pan-German Alliance in its plan for German world domination (pp. 10, 11, 47, 95-694).

Opposed prohibition (pp. 25, 27, 36, 223-648).

United States Brewers' Association furnished money to the German Alliance through the national association of commerce and labor (pp. 205, 206-208).

Senator Wolcott asked the following questions (p. 208):

SENATOR WOLCOTT. Then this organization, of which you were the head, the National Association of Commerce and Labor, interested primarily in combating prohibition, was to the extent you have indicated to operate through the German-American Alliance, you supplying simply the funds and they conducting the propaganda which you were primarily interested in? That was the situation, was it not?

MR. ANDREA. Yes; I think that is correctly stated.

Page 216, Senator Wolcott asked this further question:

SENATOR WOLCOTT. So that the activities that you have been describing, carried on through the German-American Alliance, were emanating in the last analysis from the United States Brewers' Association?

MR. ANDREA. Oh, yes; the funds—and the allied trades.

If there is an organization in this country that is backed by the liquor traffic and that organization or alliance carries on a propaganda that hinders this Nation in winning the war, thus crippling the efforts of the Army and Navy. Surely you are supporting the Army and Navy when you prohibit the traffic that supports this unpatriotic organization. The safety of the Nation is paramount. Congress enacts laws to support the Army, to defend it. The relation of this legislation to this well-recognized power of Congress is not fanciful but real.

SENATOR GRONNA. I think the Senate has revoked the charter of the German-American Alliance.



Mr. WHEELER. The vote has not been taken. I hope the Senate will do so.

Senator GRONNA. I am sure it will.

Mr. WHEELER. That is all right, but you have not even then gone to the root of the matter. In Cincinnati when the National German-American Alliance disbanded under fire, fearing that the Senate and House would do this thing, they formed other organizations under different names to carry out the same purposes.

And where do these organizations get their money? They get it in part from the liquor trade. It is a disloyal combination, and by the passing of this law you will cut off the financial support of that disloyal combination in this country; you will do much to help support the Army and help maintain the Navy and help put a great national spirit and enthusiasm and patriotism back of that Army and Navy. If you can do these other things because they help the Army, I can not conceive why Congress does not have the right to prohibit the sale of liquor, which cuts down efficiency, which injures the health, which injures the public morals, which injures the dependability of both the soldier and the sailor and everyone that is in the factory or on the farm supporting that soldier or that sailor. We have every reason to believe that the United States Supreme Court will sustain this law, whether you use the whole of the program or the part Judge Norris has referred to. I believe that all of it will be sustained.

Agreeable to the ruling of the committee that arguments made on the pending measure may be extended, permit me to add the following:

The decisions quoted for the most part have to do with war powers over property and commodities which have inherent rights to exist, but as Willoughby on the Constitution said: "The power to wage war enables the Government to override in many particulars private rights which in times of peace were inviolable."

It is only a matter of conjecture as to how far the courts will go in sustaining a law which Congress felt was necessary to enact for the national safety, defense, and support of the Army and Navy. The decision referred to from Georgia was not quoted as an authority on the power of the Government to take useful private property in time of peace or in time of war from its loyal subjects, but simply as an illustration of how the court views a war emergency and the power of the Government to meet it. The case represents one step in a series of authorities corroborating the theory for which we contend, namely, that the Government has extraordinary powers in time of war to carry out its fundamental purposes and its expressed and substantive powers.

We respectively submit that if the Government can use the powers to which we have referred, in dealing with property which has inherent rights, the argument is infinitely stronger when applied to a commodity which has no inherent right to exist at all, even in times of peace.

The United States Supreme Court said, 137 U. S., 86:

The statistics of every State show a greater amount of misery and crime attributed to these retail liquor shops than to any other source.

The court then concluded its great decision with these words:

There is no inherent right in a citizen of a State or of the United States to sell intoxicating liquor.

The Supreme Court of Illinois in the case of *Harrison v. People*, 222 Ill., 150, said:

It must be conceded that the business of keeping a saloon or dram shop is one which no citizen has a natural or inherent right to pursue.

No one possesses a constitutional right to keep a saloon for the sale of intoxicating liquor.

#### INTOXICATING LIQUOR IN A CLASS BY ITSELF.

The fact is everywhere recognized that the liquor traffic is not to be treated as an ordinary, legitimate business entitled to equal protection with other pursuits. As the court said in *State ex rel. v. Judges*, 50 N. J. L., at page 595:

The sale of intoxicating liquors has from the earliest history of our State been dealt with by the legislature in an exceptional way. It is a subject by itself, to the treatment of which all analogies of the law appropriate to other topics can not be applied.

The United States Supreme Court, in the recent *Webb-Kenyon* case, settled this question conclusively. Chief Justice White, writing the opinion, said:

The fact that regulations of liquor have been upheld in numberless instances, which have been repugnant to the guaranties of the Constitution but for the enlarged right possessed by Government to regulate liquor, has, as we are aware, never been taken as affording the basis for the thought that Government might exert an enlarged power as to the subjects to which under the constitutional guaranties such enlarged power could not be applied.

The exceptional nature of the subject here regulated is the basis upon which the exceptional power exerted must rest and affords no ground for any fear that such power may constitutionally extend to the things which may not be consistent with the guaranties of the Constitution embraced.

In other words, the court has put liquor in a class by itself, to the treatment of which there is no analogy in the law. It is no longer treated with the courtesy of an invited guest, but simply as a trespasser. It is not here by any right but by sufferance only.

Each step forward which we have made in the fight against the beverage-liquor traffic has been opposed by those who claim that the law was unconstitutional. Some of the friends of prohibition, both in and out of Congress, felt clear that the *Webb-Kenyon* Act was unconstitutional. It was my privilege to present the argument to the Supreme Court in two oral hearings on the question of the validity of that legislation. It was generally understood that if the *Webb-Kenyon* Act had applied to some ordinary business, like a grocery business, or any other useful commodity, it would have failed before the court. It was because the liquor traffic is a source of crime and misery, because it has no inherent right to exist, and is in a class by itself, to the treatment of which there is no analogy in the law, that the court gave as its principal reason for sustaining that act.

Some of the reasons which might apply to the protection of useful commodities, even in time of war, can not be invoked as a protection

for the liquor traffic. We believe that we have shown that the prohibition of the liquor traffic has a vital relation to the support of the Army and Navy, to the common defense and general welfare, to the maintaining of the national spirit and patriotism which are vital to success. For these and other reasons which may suggest themselves to this committee we respectfully submit that a war prohibition measure prohibiting both the manufacture and sale of intoxicating liquor as a beverage would be a valid enactment by Congress.

Mr. LEVI COOKE. Mr. Chairman, what is the program, if I may ask? I would like to have 10 minutes, if I may.

Senator SMITH of South Carolina. The time is to be divided between those in favor of and those opposed to the Jones amendment. Up to the present there has been consumed an hour and a half on the part of those that are opposed to the amendment, and by those who are in favor of the amendment just a little less than an hour.

Senator GRONNA. I should like to make a brief statement here, if I may. Mr. Chairman, since Mr. Wheeler drifted from his argument on the constitutionality of this measure and into other matters, I think it is only fair to myself to state that so far as I am personally concerned I am willing to stand on my record as to the prohibition question, and I also want the record to show that I come from the only real prohibition State in the United States.

Senator THOMPSON. Except Kansas.

Senator GRONNA. I do not even except Kansas. What I want to know is, Are we going to pass this bill in such a way that the courts will sustain our action? That was the reason I asked the question of Mr. Wheeler, and while I do not want to criticize him I am sorry to say he disappointed me as to that.

He referred to the supreme court decision in the State of Georgia, I believe it was. That was an entirely different matter; that was in a case where goods were taken from an enemy, not in the way we are proposing to do it. We are not proposing to stop the sale of goods by an enemy; we are proposing to stop the sale by loyal American citizens, and it is an entirely different case.

Mr. WHEELER. If you will read the whole of that decision, Senator Gronna, and consider the logic of the decisions which I have referred to, I think you will be convinced that your position is incorrect. These things, we believe, have a vital relation to the support of the Army and the Navy, and we believe that the logic of these decisions supports that contention.

Senator GRONNA. My belief is, Mr. Wheeler, that you will find no case in which any high court has sustained the proposition that the Government has a right to take property without compensation except when it is taken from an enemy.

Mr. WHEELER. I am willing to submit the question on the authorities that I have presented. That is the reason I asked to have them all put in.

The decision referred to was simply used as an illustration of the enlarged power of Government in time of war. It has a bearing on this question.



**STATEMENT OF MR. LEVI COOKE, GENERAL COUNSEL FOR THE  
NATIONAL DISTILLERS & WHOLESALE DEALERS' ASSOCIATION,  
UNION TRUST BUILDING, WASHINGTON, D. C.**

Mr. COOKE. Mr. Chairman, the Jones amendment provides that there shall be no sale of distilled spirits for beverage purposes, and that no distilled spirits held in bond at the date of the approval of this act shall be removed therefrom for beverage purposes. I would like to suggest to the committee that they ascertain from the Bureau of Internal Revenue the amount of distilled spirits for beverage purposes now held in bond. The bureau may be able to give the committee an approximation; it has refused to state the amount of spirits for beverage purposes still in bond, because after the passage of the food control act of August 8, 1917, there were nonbeverage spirits still being manufactured and put into bond. The accounts of the Treasury Department show the total of nonbeverage and beverage spirits now in bond, but to date they have made no effort to separate the spirits which may be tax paid at \$3.20 per gallon to be used for beverage purposes.

So far as the association I represent is concerned—comprising the distillers, the wholesale dealers, and rectifiers who hold these distilled spirits still unsold—I wish only to lay before the committee the financial consequence of the enactment of the first part of the Jones amendment. It would have this immediate effect. Distilled spirits which have been tax paid at \$3.20 per proof gallon could not be sold and would consequently be a dead loss to the owners. Those men have not only paid substantial prices for the merchandise, but they have also paid on such of those distilled spirits as are out of bond \$3.20 per gallon.

There are still on the market some of the distilled spirits that had been tax paid prior to the revenue act of October 3, 1917. Those spirits have been tax paid out of bond at \$1.10 per gallon. Immediately the stock floor tax of that act took effect the trade of the country was compelled, after the enactment of this act, to pay an additional \$2.10 a gallon on those already tax-paid spirits. The result is that on all of the distilled spirits now tax paid there is a Government tax of \$3.20 per proof gallon, which the Treasury has taken and which these men are compelled to recover, and can recover only by the sale of those beverage spirits in the market.

Senator GRONNA. That has been paid only on the spirits that have been taken out, has it not?

Mr. COOKE. Yes, sir. The situation is this, Senator. The distiller before he can commence the operation of making distilled spirits, before he can turn a wheel or mash a pound of grain, has got to qualify as a distiller. First, to comply with the law, he gives a bond which covers the approximate amount of his operations, a bond of not more than \$100,000. That is a bond conditioned upon his compliance with all internal-revenue laws. Then as he makes distilled spirits, which he must put into his bonded warehouse within three days after they leave the still neck, he gives to the Government within three months a warehousing bond—which is a distinct bond from his distiller's bond—which provides that he shall, within eight years, pay the United States the rate of tax in force at the time.

Now, at the time the act of October 3 was passed we had bonds with the Treasury Department to the amount of hundreds of millions of dollars, conditioned on the payment of \$1.10 a gallon on distilled spirits in bond. As soon as the new act went into effect all those bonds immediately covered \$3.20 a gallon, with the result that to-day the distillers of the United States are bonded nearly a billion dollars to pay that tax to the United States Government.

You, gentlemen, can report in favor of the passage of this act, Congress can pass it, but the distilled spirits still in bond are subject to all of those bonds that these distillers have made, and I think that without the most thorough study and careful provision to avoid disaster, there will be a great chance that these distillers will be compelled to pay the taxes whether they are permitted to take the goods out of bond or not.

You have the provision here that no distilled spirits shall be withdrawn from bond after the passage of this act. There are thousands of gallons being forced out of bond in the next few months at the end of the eight-year period. These, gentlemen, are subject to all the penalties of their bonds unless they take the spirits and turn the cash in to the United States. So we have a bill here which, if enacted, would simply destroy the bonding companies of the United States and would certainly bankrupt the distillers of the United States.

Senator NORRIS. The point is that we have a provision in our laws which requires you to take certain spirits out of bond within a certain length of time——

Mr. COOKE. Or pay the money, whether we do or not.

Senator NORRIS. But this law would be in effect an amendment of that, would it not?

Mr. COOKE. Those are common-law bonds; they provide sheer penalties.

Senator NORRIS. You would not be afraid of a penalty where the law made it illegal for you to comply with a prior act, would you?

Mr. COOKE. Senator Norris, I do not know what the courts would do with that kind of a conflict. The gentleman who preceded me spoke of some authorities, and what the Supreme Court does, and what the Supreme Court's action will be in such a matter. But I know this: No bonding company in the United States, and no distiller in the United States would look with anything but the greatest concern upon a provision of law forbidding the doing of a thing without doing which they would be subject to the payment of an enormous sum of money. Whatever the answer to that may be, the point I would address myself to is that this bill in the language in which it is framed, without a very careful statement on that point, is bad legislation and bad drafting of legislation.

Senator NORRIS. Your point is that it ought to make reference to that situation and rectify it?

Mr. COOKE. If Congress, by remote chance, purposes doing anything of this sort, it is a matter of the most careful draftsmanship to safeguard an enormous interest that is involved, an interest that has always been very careful to pay its taxes to the United States and has since the Civil War paid a great many millions of dollars into the United States Treasury.

As I stated a year ago, at the time the food bill was yet before the committee, the distilling trade has simply been a trade banking a tax for the United States. The tax has always been far beyond the value of the merchandise involved. The Government has taken the tax before the merchandising commenced. As soon as the goods came out of the manufactory the tax was paid. As soon as the goods came out of the bonded warehouse attached to the factory the tax was paid. Twelve months elapsed before the merchandising was completed and that money gotten back into the trade, with the result that the Government has always taken its share first, and that share has always been far in excess of the value of the merchandise, even at the time of final sale.

I do not think the committee will find itself in a position to stop the sale of distilled spirits under all the circumstances which exist and which are known to the committee. The stoppage of the new production of distilled spirits for beverage purposes; the fact that there is a certain amount of distilled spirits still in bond and in the hands of the trade yet to be sold, on the larger part of which the Government has taken enormous taxes already, it can not stop the sale of those spirits without ruining men who have already paid immense sums into the Treasury. It can not stop the tax payments on distilled spirits without destroying enterprises established in compliance with the law and in which the merchants and manufacturers have enormous sums invested.

And, finally, there is the great question of revenue, which this committee can not help but consider. Upon the distilled spirits remaining in bond there will be an enormous tax payment. The gentleman who preceded me spoke of the necessity of this committee and all other Members of Congress supporting the Army. The first thing to support an army with is money. Unless you can raise taxes you can not keep armies in the field. I think there is close to \$600,000 involved in tax money in the distilled spirits still in bond; not at the present rates necessarily, but certainly under rates of taxation as they will be in force and collected there is not less than \$1,000,000 of tax money for the next 12 months involved in what is proposed to be forbidden in this amendment.

Senator NORRIS. Mr. Cooke, may I ask you a question there. I take it that the organizations and the people whom you represent are opposed to the passage of any law of this kind?

Mr. COOKE. Certainly opposed to the prohibition of sales and prohibition of withdrawals from bond.

Senator NORRIS. Have you read an article that was printed, I think, first in the New York World within the last few days, and which has been reproduced, I suppose, all over the United States, to the effect that this pending amendment and this proposed legislation by this committee had enabled the so-called Whisky Trust to reap enormous fortunes and make a great lot of money out of the combination?

Mr. COOKE. I saw the New York World's article of Sunday.

Senator NORRIS. I judge from your position that you take it that there was not anything in that?

Mr. COOKE. It was not this amendment that was charged with that result; it was the original amendment, Senator Norris, or the



original act, forbidding the production of distilled spirits for beverage purposes.

Senator NORRIS. That was passed a long time ago. The impression has been going out, since this question has been somewhat agitated in the newspapers, that we were by this proposed legislation playing into the hands of the distillers.

Mr. COOKE. That is an absolutely false impression, which never properly could have been drawn from the statement made in the New York World. Nothing that is involved in this amendment would have any effect in aiding the whisky trade and the brewers.

Senator NORRIS. I suppose from the position you have taken here that the distillers and whisky men do not expect to get any benefits out of this amendment if it is passed?

Mr. COOKE. If this amendment is passed, Senator Norris, it would destroy thousands of merchants. I think it would break a number of banks. I think it would put in jeopardy the bonding companies of the United States which are on these bonds, because the bonding companies did not want to write their bonds to cover the \$3.20 tax. It was too big a hazard to bond a tax of \$3.20 a gallon on something worth \$1 a gallon.

Senator NORRIS. I did not ask the question, Mr. Cooke, because I had any doubt about it, but I suppose other Senators have been getting letters, as I have, saying that this proposed prohibition legislation was going to be in favor of the distillers. I wanted to have corroboration of that from one who represented the distillers.

Mr. COOKE. That is water that has passed over the wheel. They were addressing themselves to what occurred last summer. I think they were entirely in error in a conclusion drawn from statements of partial fact and partial fancy which necessarily crept into the article. The man who prepared it was quite unfamiliar with the facts, quite unfamiliar with the trade he was pretending to discuss in detail. He was half right and half wrong, with the result that the effect of what he had to say was quite meaningless.

Senator NORRIS. I suppose, after all, he thought he was accomplishing his object, which was to defeat any legislation of this kind.

Mr. COOKE. The effect of the stoppage of the sale of distilled spirits was to be an increase in the value of distilled spirits which had been manufactured?

Senator NORRIS. That was part of this letter, but that had no reference to this amendment.

Mr. COOKE. Absolutely none. Senator Gronna will recall the careful thought given to the effect upon distilled spirits already manufactured in the consideration of the use of grains and foods in the further manufacture of spirits for beverage purposes. The trade itself was against the complete stoppage. It was not anxious to use any grains or foods in the manufacture of distilled spirits for beverage purposes, but did fear that a complete stoppage without any possibility of spirits being manufactured would result in some speculation. That has occurred to some extent by men very largely outside the trade. The houses that held distilled spirits are, of course, marketing them; and anticipating that in the near future they will not

have any distilled spirits to sell, they naturally have raised their prices to some extent, but only in a very normal way.

Senator SMITH of North Carolina. About what is the difference in the prices of distilled spirits now and a year ago?

Mr. COOKE. Distilled spirits have risen, say, 80 or 100 per cent; the tax was raised 300 per cent. That was a perfectly normal economic result which we warned the Agricultural Committee would necessarily occur, and which the committee a year ago considered. We propose, instead of a complete stoppage, an extra tax on new production, which would result in the old production being used up and new production coming in to suppress the price in case anyone attempted to take advantage of the arbitrary differential in favor of old production. That was found not to be feasible, both in the Agricultural Committee and the Finance Committee.

Senator NORRIS. Of course the increasing of the tax, as everybody must know, must necessarily result in the raising of the price.

Mr. COOKE. Unquestionably. Up to a few weeks ago we were paying the highest tax in the world on whisky in this country.

Senator SMITH of South Carolina. But that did not affect the profit to the manufacturer, because that tax is superimposed and has nothing to do with the profit you make as a manufacturer.

Mr. COOKE. Except only in the matter of financing that tax. The payment of \$3.20 a gallon on whisky is a very banking burden upon a trade that is obligated to do the financing, and the Government does not pay any attention to it. The Government says the moment that barrel of whisky moves out of the warehouse \$3.20 per proof gallon shall be paid. The merchant handling that product has got to finance that tax over a period of weeks or months, as the case may be. If this legislation is passed it means bankruptcy to whisky men who have these stocks still left to dispose of. Concede that that is a matter to be waived; it means a grave danger to the bonding companies, and there are many banks in the United States which have loaned money in very large amounts both on the tax and on the merchandise.

Senator THOMPSON. Have you any estimate of the amount of money that has been loaned?

Mr. COOKE. It is a good many millions of dollars. We have tried to estimate that. In the chief banking centers, such as Baltimore, Philadelphia, New York, Cincinnati, St. Louis, and Chicago, there are very, very large loans upon whisky, which were absolutely necessary if the whisky business was to be worked out on this present plan.

Senator THOMPSON. Have you any way to get the figures?

Mr. COOKE. No; it is very difficult to secure that estimate. It is a great many millions of dollars to-day, though.

I thank you.

Senator SMITH of South Carolina. I am informed that there is a gentleman here who will take two or three minutes of the committee's time in favor of this amendment; and as we have about seven minutes left we will hear him.

Mr. DINWIDDIE. Mr. Chairman, inasmuch as Dr. Scanlon has to leave the city, I would like for the committee to hear him now. I wish to introduce Dr. Charles Scanlon, general secretary of the Presbyterian Board of Temperance of the United States.

**STATEMENT OF DR. CHARLES SCANLON, GENERAL SECRETARY  
OF THE PRESBYTERIAN BOARD OF TEMPERANCE OF THE  
UNITED STATES.**

Dr. SCANLON. Mr. Chairman, the Presbyterian Church has about 10,000 ministers and an equal number or larger number of churches. We expend from \$200,000 to \$250,000 a year in temperance work. With all of the facts available before us, the general assembly—which is the highest judicatory body in this church—in a session at Columbus, Ohio, on May 21, by unanimous vote, asked for the prohibition, the complete prohibition of all kinds of distilled, malt, and vinous liquors, and suitable penalties for the enforcement of that law.

The reasons leading up to that I need not state, but will say that through the appropriate agencies this matter has been under study and investigation for thirty-odd years, and we feel that we are fairly familiar with all phases of it, and that in view of all the facts we were justified in making that request.

Mr. DINWIDDIE. That is, for war-time prohibition?

Dr. SCANLON. For war-time prohibition.

Senator SMITH of South Carolina. I would like to state before the committee adjourns that those in favor of this amendment have used an hour and five minutes of their time, and the opposition has used two hours. There remains for to-morrow a half hour for those in opposition and an hour and ten minutes for those in favor of the proposition.

Representative SABATH. Mr. Chairman, would it be proper for me to make a request for about 10 or 15 minutes to-morrow in opposition? I do not know who may be here opposing this amendment.

Senator SMITH of South Carolina. We shall be very glad, Judge Sabath, to give you that time. To-morrow will be the only opportunity.

(Thereupon, at 12 o'clock m., the committee adjourned to meet at 10.30 a. m. to-morrow, Wednesday, June 19, 1918.)

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**WEDNESDAY, JUNE 19, 1918.**

*Washington, D. C.*

The committee met at 10.30 a. m., Hon. Ellison D. Smith presiding.

Present: Senators Smith of South Carolina (acting chairman), Sheppard, Thompson, Kendrick, Page, Gronna, Norris, and Kenyon.

Senator SMITH of South Carolina. Before we take up the proposed prohibition amendment to the Agricultural appropriation bill, there is a small matter which Senator Thompson and Senator Curtis desire to present; they have a gentleman from Kansas here whom they desire to have heard on a matter pertaining to a certain agricultural condition that exists in their State.

Senator GRONNA. I think we ought to hear him, Mr. Chairman.

Senator SMITH of South Carolina. Yes; and it is germane to the bill we are considering—the Agricultural appropriation bill.

Senator Thompson, the committee is ready to hear the gentleman now.



Senator THOMPSON. Mr. Chairman, then I will introduce Mr. Frizell, of our State. As you have suggested, Mr. Chairman, this matter relates to an item in the Agricultural appropriation bill.

Senator CURTIS. If I may call attention to the fact, Mr. Chairman, it is true that there is an item in this bill; but the provision as it is in the bill would have to be changed in order to accomplish what is desired, so that the money could be advanced now for the seed wheat, and be repaid after the crop is gathered.

#### STATEMENT OF MR. E. E. FRIZELL, OF KANSAS.

Mr. FRIZELL. Mr. Chairman, the State of Kansas has been planting one-fourth of the winter wheat in the United States; 9,500,000 acres is about the amount that we usually plant.

This year we are harvesting about two-thirds of the normal acreage. Last year we harvested only about one-third; two-thirds of our State last year failed on wheat; one-third of our State is a failure this year. Thirty-five counties in Kansas have practically no wheat, not sufficient to seed the counties to-day. There are counties in Kansas that plant 317,000 acres to wheat. Some of those are an entire failure. We have had two failures. A group of counties in eastern Kansas has had three failures.

So that it is necessary that we should provide the tenant farmer, and the owners of the farms which are mortgaged with seed; some of the farmers who have to pay interest on their mortgages and their taxes are unable to furnish the seed; and many of those farms can not be planted to wheat without some aid or assistance of some sort.

By providing the necessary seed, you can be assured that 3,000,000 acres additional will be planted to wheat. Of our 9,500,000 acres, we will plant 3,000,000 additional acres if we are furnished the seed, or if it is provided in some manner. Those 3,000,000 acres would represent 45,000,000 bushels of wheat—sufficient to feed an army of 2,000,000 men for almost one year.

Senator NORRIS. You are speaking entirely of Kansas?

Mr. FRIZELL. I am speaking of Kansas. There are other States that are in the same situation; western Nebraska, western Oklahoma, and a large part of the wheatlands in western Texas. There have been two droughts, two complete failures in western Texas, three in one part of Kansas, and two in another.

So that it really means that we can produce, with the aid that the Government can give us, 45,000,000 bushels of wheat that we could not produce unless some provisions is made for financing the obtaining of the seed.

In one county in Kansas, Ford County, there will be 312,000 acres sown to wheat if you will give us the necessary seed.

We have found that the banks can not do it; the deposits in those banks must be used for the normal business of the county. If we should take the last dollar they have for financing the seed, there would be no funds for carrying on the normal, regular line of business. We must have some other assistance, from some other source than the little bit of wheat that will be grown in those counties this year.

The counties in the eastern part of the State are going to have an increased acreage over what is the normal acreage; and in the west-

ern third of the State, as I can show you by this map [indicating], they are very largely growing wheat. The part of the map colored in black is the land sowed in wheat; that colored in yellow is the land that will be harvested; so that we will be able to get only a very small yield from the land that is planted. Three million acres of wheat must be financed, with regard to furnishing the seed; and even though the people of the State may finance one-half of that, it will still leave 1,500,000 acres that will not have seed, without assistance from somewhere.

Senator GRONNA. Have you made an estimate as to the amount that will be required to supply the necessary seed?

Mr. FRIZELL. If you finance one-half of this, at 1 bushel per acre, that will take over \$3,000,000 for Kansas alone. This money would have to be put out until the next harvest was in; and you could let the entire crop be security for the money advanced for seed. Not less than \$3,000,000 would be required for Kansas alone. We have not made careful estimates as to the other States, but this same situation applies to a number of States. I understand that North Dakota is planning to finance itself. But I understand that Oklahoma, Texas, and Nebraska must have relief; and the western third of Kansas and five counties in the eastern third, which are great wheat-growing counties, have needed this relief for three years.

Senator NORRIS. The reports that I get are to the effect that Nebraska will not need any such relief.

Mr. FRIZELL. My work has taken me pretty well over the different parts of that State, and I know the conditions very well, and I know some of the counties have an excellent crop.

Senator NORRIS. We had a great deal of testimony in regard to conditions in Oklahoma when we had the question of the price of wheat before us. That was before spring came, and the testimony at that time was that a very large per cent of the wheat would be plowed up, because it would not pay to keep it. Do you know what was the result—whether they did have it plowed up?

Mr. FRIZELL. Quite a large percentage of it was plowed up to other crops, such as oats or barley or corn.

I have here a letter from F. M. Gault, president of the State Board of Agriculture. It says:

Indorse action; have asked Senators from Oklahoma to help you.

Senator CURTIS. He means by "indorse action" that they indorse the action of your board of agriculture?

Mr. FRIZELL. Yes, sir.

Senator PAGE. In view of the great prosperity in your State—for I understand that you have had a season of immense prosperity generally—would your State think it proper for the Federal Government to finance the seed for your wheat crop?

Mr. FRIZELL. Two-thirds of the State is having prosperity, and there is one-third where the drought has hurt our crops very seriously.

Senator PAGE. You do not understand my question. Would it be a matter which it would be better to ask the State itself to finance rather than ask the Federal Government to do so?

Mr. FRIZELL. We doubted the advisability of asking the State, as two-thirds of the counties of the State it would not apply to.

Senator GRONNA. Could the State under its laws use money from the State treasury for that purpose?

Mr. FRIZELL. I understand that it could not be done.

Senator PAGE. Is there anything in your State constitution which would prevent it?

Senator CURTIS. As I understand, the State constitution prohibits the giving of aid to counties in this way, the same as it does for internal improvements by the State. You will remember that I had that question up in the bridge case in the Senate some months ago.

Senator PAGE. I was wondering whether, if we begin entering upon such a field as this, it might not be pretty expensive, and we might have to finance all the States in all of their misfortunes.

Senator CURTIS. You have already entered into it in the bill which you are now considering, which expires the 1st of July; if that bill was amended so as to permit payment after the crop was harvested instead of cash it would save the situation.

Senator THOMPSON. All they ask is that we change the date from 1918 to 1919, as I understand.

Mr. FRIZELL. And change the payment from cash to payment after the crop is harvested.

Senator THOMPSON. Mr. Frizell is a member of the State board of agriculture, Mr. Chairman, and I think your board has taken some action on this matter, Mr. Frizell, has it not?

Mr. FRIZELL. Yes; it has taken action on it.

Senator THOMPSON. And Mr. Frizell is also labor administrator for the State of Kansas. I would like to have that shown in the record.

Senator CURTIS. Before you close this hearing, Mr. Chairman, may we have the privilege of submitting any additional data that we desire?

Senator SMITH of South Carolina. Yes.

Senator CURTIS. Thank you very much.

Senator NORRIS. I would suggest that you take the bill, Senator Curtis, and prepare an amendment and submit it for our consideration.

STATEMENT OF DR. H. J. WATERS, CHAIRMAN OF THE COUNCIL OF NATIONAL DEFENSE, MANHATTAN, KANS.

In support of the amendment offered by Senator Curtis, of Kansas, we desire to submit the following:

The assistance sought is not for the benefit of the residents of western Kansas, Oklahoma, and Texas, for they are able to produce all the wheat required to meet their own needs and much more. It is for the purpose of insuring the sowing of the maximum acreage of land to wheat in these States this fall.

The farmers of western Kansas, for example, have land, man power, teams, and machinery for seeding 3,000,000 acres to wheat, but because of a crop failure in two successive seasons, 1917 and 1918, which never before occurred in the history of the State, many of these farmers do not have the funds or the credit for securing the necessary seed to sow this acreage. It was learned from meetings held by the Kansas State Board of Agriculture, with farmers, merchants, and bankers of this region, that without outside assistance, only about half of their normal acreage could be sown. If, however, the Government should extend the credit, as provided in the amendment proposed by Senator Curtis, necessary to purchase the seed, the farmers will be able to sow their full acreage.

The State can not give relief because of a provision in the Kansas constitution, prohibiting an appropriation of money for such purposes, without the legislature first submitting the question to a vote of the people. This could not be had in time to give the relief required.



If Congress should grant the assistance sought the probabilities are that the wheat crop of 1919 will be increased to the extent of about 30,000,000 bushels in Kansas alone over that which can be produced without such assistance. This is more wheat than is normally produced in Missouri, Illinois, Ohio, or Indiana in a year and is more than half the total crop of Kansas for 1917. With the adoption of the amendment, the chances are that the next wheat crop of the United States will be increased more than enough to feed an army of 3,000,000 soldiers for a year.

Inasmuch as the Government would have a first lien on the entire crop of every farmer who borrowed money from it for the purchase of seed, a yield of 5 bushels to the acre would protect the Government fully against loss. In the last 12 years the yield of the region in Kansas, for which assistance is sought, has fallen below 5 bushels only three times, and never in two seasons in succession, until the seasons of 1917 and 1918. The ground never was in better condition for seeding than now, and there is every probability that a maximum yield, which may run as high as 25 bushels an acre, will be secured from next year's crop.

The adoption of the amendment would insure the sowing of every acre of available winter-wheat land in the United States.

We append herewith a telegram from the State board of agriculture of Oklahoma favoring this request.

OKLAHOMA CITY, OKLA., June 14, 1918.

SECRETARY BOARD AGRICULTURE.

*Topeka, Kans.:*

Indorse action. Have asked Senator Owen to represent Oklahoma.

F. M. GAULT, *President.*

(Thereupon, at 10.45 o'clock a. m., the committee proceeded to the consideration of other business.)



# FOOD PRODUCTION ACT, 1919.

WEDNESDAY, JUNE 19, 1918.

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY,  
*Washington, D. C.*

The committee met at 10.45 o'clock a. m.. Hon. Ellison D. Smith presiding.

Present: Senators Smith of South Carolina (acting chairman), Sheppard, Thompson, Kendrick, Page, Gronna, Norris, and Kenyon.

Senator SMITH of South Carolina. The committee will now proceed with the hearing on the prohibition amendment to the agricultural appropriation bill.

Senator NORRIS. Mr. Chairman, Representative Kahn, of California, was here a few moments ago, but he had to leave to attend a meeting of the Committee on Military Affairs, and he left with me a telegram that he has just received in regard to the grape situation in California, and in his behalf I ask that it be printed in the record.

Senator SMITH of South Carolina. The telegram may be inserted in the record.

(The telegram preferred to is here printed in full, as follows:)

NAPA, CAL., June 18, 1918.

Hon. JULIUS KAHN,  
*Washington, D. C.*

Wine grapes from the mountain covered vineyards of Napa County will mature in the month of September, being of quality planted upon recommendation Department of Agriculture and suited for wine purposes only. Prohibition not only bankrupt the growers but will cause serious losses to banks having advanced on this year's crops and mean failure. Growers unable to complete payments liberty loan subscribed.

JOS. A. MIGLIVACCI,  
*Chairman Board Bank of Italy, Napa Branch.*

Senator SMITH of South Carolina. The remaining time allotted for those who are in favor of this proposed amendment is 1 hour and 10 minutes and for those in opposition to the proposed amendment 30 minutes.

Mr. Dinwiddie, is there anyone who you would like to have proceed this morning on behalf of your side?

Mr. DINWIDDIE. Would you like to have us open the hearing this morning, Mr. Chairman? We can do so is agreeable to you.

Senator SMITH of South Carolina. I was thinking that, as you have 1 hour and 10 minutes, perhaps you would like to divide that so that you could go on first and use part of your time, and then the opposititon could have their 30 minutes, and then you could close.

Mr. DINWIDDIE. Well, we can divide our time in that way if it is agreeable to the committee.



In the first place, then, I would like to introduce Mrs. Yost, legislative representative of the National Woman's Christian Temperance Union, who will introduce the national president of that union.

Senator SMITH of South Carolina. Mrs. Yost, will you give your full name, your residence, and your official connections?

Mrs. Yost. Yes. My name is Mrs. Ellis Asby Yost, and I am a legislative representative of the National Woman's Christian Temperance Union.

Mr. Chairman and gentlemen of the committee, I want to introduce Miss Gordon, the president of the National Woman's Christian Temperance Union, representing an organization of 450,000. She will not only represent that organization, but will represent to-day 6,000,000 women.

Senator SMITH of South Carolina. Miss Gordon, will you give your full name, your residence, please, and your official connection with this organization?

**STATEMENT OF MISS ANNA ADAMS GORDON, PRESIDENT NATIONAL WOMAN'S CHRISTIAN TEMPERANCE UNION, EVANSTON, ILL.**

Miss GORDON. My name is Anna A. Gordon; residence, Evanston, Ill. I am president of the National Woman's Christian Temperance Union.

Mr. Chairman and gentlemen of the committee, on behalf of the 450,000 members of our organization, in 20,000 localities in the United States, I thank the committee for the courtesy of giving me the opportunity to present a statement on behalf of these women.

I wish Mrs. Ellis and Mrs. Yost, our legal representatives, might both be heard; but in the very short time given us to make our statement in behalf of the Woman's Christian Temperance Union, we will make it just as briefly as possible.

The tragedy of war, we all understand, very deeply concerns the women of the Nation; and the Woman's Christian Temperance Union women, for whom I especially speak, are here to-day as patriots. And it is unreasonable to think that, after more than 40 years of educational work toward the goal of nation-wide prohibition by constitutional enactment, we should now come with a request for war prohibition if we did not believe, in our heart of hearts, that it is essential to winning the war.

The women of the Nation have responded magnificently to the call to the colors. And yet, they are crying out against the waste of food materials and man power caused by the liquor traffic.

I have been studying the commands that have been issued to the civilian army by the various departments of the United States Government, and I can pretty nearly make an excellent decalogue. It would read something like this: Conserve food; conserve fuel; conserve railroad and steamship tonnage; conserve labor; conserve health; conserve efficiency; conserve the children; conserve money.

And the Woman's Christian Temperance Union, to complete the decalogue, would like to add these two commands: Make America safe for the Nation's defenders, the brave boys who will return when the war is over "over there." And second, help America lead the world in the war against Germany's strongest ally, the liquor traffic.

In our first command, to conserve food, the Food Administrator, Mr. Hoover, in a letter to Senator Sheppard, dated June 4, 1918, which is found in the Congressional Record, page 8034, said:

The cessation of brewing would effect a saving in grain of approximately 3,150,000 bushels a month from a nutritive point of view. It needs no comment from me, from a food point of view, that I should favor the saving of this amount of grain.

And we have another command from the Commander in Chief of the Army and Navy, when he says that it is imperative that all waste and unnecessary consumption of all sorts of foodstuffs should be speedily eliminated.

We have been hoping that the breweries would go into voluntary liquidation, or perhaps we might say voluntary dryness; but we think they ought to prove that beer is a necessary foodstuff during the war, or else the majesty of the law should be invoked to suppress the brewing.

To conserve fuel is the next command, and the Fuel Administration announces a possible shortage of 75,000,000 tons of coal. We understand the breweries use about 5,000,000 tons yearly.

Mr. Chairman and gentlemen of the committee, how are the women to keep the home fires burning until the boys come home if we do not have enough fuel? How are we to maintain the morale of the civilian army if we do not have warm homes and business offices and schoolhouses and churches this coming winter? The work of the civilian army is quite as important as that of the fighting Army, and we think that the civilian army ought to obey the commands that are issued, for obedience in the fighting Army is rigidly insisted upon; why should it not be insisted upon for the civilian army at home?

And to conserve labor is another command. Three hundred thousand men engaged in the manufacture, sale, and distribution of alcoholic liquors should be released for "win-the-war" work, and if they are released and the liquor traffic goes on God forbid that women should become barmaids, that women should go into the positions occupied now by the men who are making and selling liquor.

We have from the Federal bureau the word that to conserve health is another command. I was in Chicago recently, attending a meeting of the American Medical Association, and it did the heart of a reformer good to hear Dr. Bevan, the president of the association, announce to that great gathering of 3,000 physicians and surgeons assembled in that meeting that each and every physician, each and every State medical society, each and every county medical society ought to get in this work for war-time prohibition, to protect the health and efficiency of the fighters and of the civilian army.

We have to conserve the children, and the Federal Children's Bureau has told us that some 300,000 little children under 1 year of age die in the United States every year, and this is children's year, and they are going to try to save 100,000 of those children; and the workers in the temperance cause realize that a large proportion of those deaths can be traced, directly or indirectly, to the liquor traffic.

We must conserve money. I will not elaborate on that, but the amount of the Nation's annual liquor bill, as reckoned by economists, is something like \$2,000,000,000, just the amount that was floated in the first liberty loan, and is the exact sum now being asked by the United States Government in war-savings certificates.

I have recently been in San Antonio, Tex., which went out of the liquor business while the third liberty loan was going on, and the saloons had just been closed, and across the windows of a great many in the hotel center I saw in large yellow letters "Buy liberty bonds, buy liberty bonds." I could not understand it, but when I asked how those words came to be written there I was told that the boys from the Kelley Aviation Field had been in town and had held a celebration by giving some excellent advice; if saloons are closed, we will have more money for liberty bonds and for all the expenses of the Army.

On the conservation of food proposition I have the honor to represent not alone the Woman's Christian Temperance Union but a great host of women in all the leading organizations of this Nation—6,000,000 of them—and I am going to leave with the committee, with the permission of the chairman, facsimiles of the petition presented to President Wilson on the 1st day of March, 1918, on behalf of this group of women, with their official or individual signatures, representing each and every big organization of women in our country to-day. Many of them have not heretofore been especially interested in the fight the Woman's Christian Temperance Union has been making.

But war is on, and war deeply concerns them, and they want protection for the enlisted men; they want the speediest winning of the war; and they want food for the fighters and food for the civilians; so they have handed in this conservation petition to President Wilson.

Senator KENYON. Have you a number of copies of that?

Miss GORDON. I have six or eight copies.

Senator KENYON. I wish you would leave them with the committee.

Miss GORDON. We will leave them with the committee.

This is the very first time that all organizations of women in the United States, as I understand it, have joined in any one plea to the Congress of the United States. At the recent meeting of the biennial convention of the Federation of Women's Clubs at Hot Springs, Ark., representing 2,500,000 of our best and most cultured women, they wired to the Senate and House of Representatives this resolution:

The Fourteenth Biennial Convention of the General Federation of Women's Clubs, assembled at Hot Springs, Ark., representing 2,500,000 women of the United States, earnestly request your honorable body to immediately pass a national bone-dry law as a war measure.

When both foodstuffs and man power are at such a premium we believe it folly to indulge in the waste of one and the dissipation of the other. We the women of the land pledged our sons, our money, our labor, and our all. We beseech the United States Congress to strike from our land the greatest despoiler of food and the greatest wrecker of man power. And be it further

*Resolved*, That we urge upon every woman's club in the United States to call one meeting between now and July 4 for the purpose of securing the signatures of its officers or members to a telegram to the United States Senate and to the House of Representatives, in care of the local representative, requesting the immediate passage of a national bone-dry law as a war measure.

I have been in 25 States in the last few months. I have talked with all classes of people—people I met on trains, in stores, and



other places, including governors and other officials—and I found that there is a tremendous demand for war-time prohibition. I have just completed a 7,000-mile trip in the South and the far West, and in the large cities of Portland, Oreg., and Seattle, Wash., which States adopted prohibition several years ago, I found that it was done with no industrial disturbance.

The only criticism I heard was in Portland, where they said it had put out of business the largest Bible class in the county; and, of course, I was shocked to hear that. But when the president of the local Woman's Christian Temperance Union told me that she had been for a number of years going to that Bible class every Sunday morning in the county jail, and that prohibition had taken her class away from her, I went on my way rejoicing. [Laughter.]

In Detroit, Mich., which is the largest city now under prohibition, they have had prohibition for about one month. There have been in that time no riots, no industrial disturbances, either in Detroit or in any other Michigan industrial center; and the month of May of this year compares admirably with the month of May last year as to the number of arrests for violations of law; the records show that drunkenness has greatly decreased.

It is a libel on the wage earners of this country, men and women, to say that they are not patriotic enough to do without beer in order that the people of the country should have enough bread. They will find substitutes for alcoholic liquors, just as the rest of us have found substitutes for white bread. We should count on their patriotism.

Everywhere the sentiment of the country for war prohibition is at white heat; the people want it complete and want it in the shortest possible period of time.

Mr. Chairman, we want it and the women of this Nation want prohibition in order to help win the war; a Government of the people, by the people, and for the people will surely heed the people's irresistible plea.

Senator GRONNA. May I ask you just one question?

Miss GORDON. Yes, Senator Gronna.

Senator GRONNA. You referred to the meeting of the physicians in Chicago?

Miss GORDON. Yes.

Senator GRONNA. Was there any opposition to the suggestion that whisky was unnecessary and should be abolished?

Miss GORDON. No. The Medical Association did not adopt any resolutions; but we can say this: That when Dr. Bevan, the president, made that address, the 3,000 physicians and surgeons present cheered him to the echo; and apparently the sentiment, as expressed by a great many here and there with whom we talked, was very strong that the doctors wanted prohibition.

Senator GRONNA. Well, I am glad to hear that, because it has been suggested to us that liquor is necessary for the soldiers—beer, etc.

Miss GORDON. There are substitutes for it.

Mr. DINWIDDIE. Mr. Chairman, Miss Gordon has set a good example for all of us by taking less time than she had expected to take.

At this juncture, I want to introduce Representative Randall of California.

**STATEMENT OF HON. CHARLES H. RANDALL, A REPRESENTATIVE  
IN CONGRESS FROM THE STATE OF CALIFORNIA.**

Senator SMITH of South Carolina. Mr. Randall, the committee will be glad to hear you now.

Mr. RANDALL. Mr. Chairman, the California wine industry seems to have had quite a conspicuous place in these hearings, possibly due in part to our well-cultivated advertising habit in California.

In order to be very brief, I will confine myself to the California wine proposition.

My distinguished colleague, Mr. Kahn, told you that the passage of this proposed amendment would mean a net loss of \$200,000,000 to the wine industry in California. He meant, of course, if all the lands on which the grapes are grown should sink into the sea in case this amendment were passed, because the value of the wine-grape crop in California is only \$15,000,000 annually. That is after the grapes are made into wine, and represents the official figures of 1913. I may say that I take the figures of 1913, because that was the year previous to the beginning of the State-wide prohibition campaign in California; and from that time on the wine-grape industry has been decreasing, so that that was a fair year for the wine industry of California.

Of this amount—\$15,000,000—about \$9,000,000 was taken by the makers of the wine, and only \$6,000,000 went to the growers of the grapes.

Mr. Chairman, this brings me to the point, What will happen to the wine-grape industry of California if you pass this law? I am free to say that it would ruin the wine-grape grower temporarily, if he had not already been ruined.

But it would make the wine maker rich, like it has made the distillery rich. I have no sentimental interest in anybody connected with this business except the grower of the grapes.

To get the exact status, you must keep in mind the sharp distinction between the grower of the grapes and the manufacturer of the wine. These are two bitterly antagonistic camps in California. The wine maker is represented by the California Wine Makers' Association, which, as we know in California, is the Wine Trust. It is a foreign corporation—at least, it is foreign to the State of California—with a habitat in California. It makes 80 per cent of the wine which is made in California.

The growers are organized into the California Grape Growers' Protective Association; the word "protective" refers to protection against the rapacity of the California Wine Makers' Association. The California Wine Makers' Association, or the Wine Trust, is primarily responsible, first, for the larger part of the acreage of wine grapes in California, by offering a 10-year purchase clause in contracts with prospective growers of grapes; and, secondly, for the destruction of the grape growers by paying less for the grapes than the cost of production.

The State commission on horticulture issued bulletins, volume 2, Nos. 3 and 4, in 1913, containing a mass of evidence showing wine-grape growing to be unprofitable. Among other statements this statement was made, at page 497:

Since 1907 the average vineyards of the interior valleys have been run at a financial loss. The actual cost of growing wine grapes in the interior on average land, including interest on the investment and taxes, is probably not less than \$10 per ton. At 6 per ton, the prevailing price, there is a heavy loss.

That financial ruin was completed two or three years ago when Congress raised the brandy tax from 3 to 55 cents. The wine must be fortified with brandy. The growers' association charged the wine makers' association with secretly trying to have the brandy tax raised to 55 cents. Why? Because the California Wine Makers' Association was able to place 3,000,000 gallons of wine in its cellars at the 3-cent tax. Furthermore, the contract that they made with the growers contained a clause permitting cancellation of the contract if the brandy tax should be increased, and the contracts were finally canceled under that clause.

This spelled the ruin of the wine-grape growers. Thousands of acres of their vineyards have been dug up, other thousands of acres have been changed to other kinds of grapes. To-day if you go to the vineyards you will find thousands of fruit trees planted between the rows of grape vines. During the years 1915, 1916, and 1917 thousands of tons of wine grapes, dried, were fed to the hogs in California.

All this is due, not to prohibition but to the deliberate action of the Wine Trust, which itself, of course, saw prohibition coming.

In conclusion, Mr. Chairman, let me show you what California itself thinks of its own wine industry.

In the year 1916 we had a State-wide vote on prohibition. The two largest counties, from a wine-grape producing standpoint, in California are Fresno County and San Bernardino County. Fresno County is the greatest grape-producing section in the world. San Bernardino County has the largest grape vineyards in the world—individual vineyards of more than 5,000 acres. San Bernardino County, after voting itself bone dry under local-option laws, voted by a majority of 5,000 for State-wide prohibition, which would eliminate the wine-grape-growing business entirely; and Fresno County, with the exception of one city, voted itself dry, and on the State-wide prohibition question voted dry by 2,000 majority. And the State of California, exclusive of the city of San Francisco, which has not a grape vine in it—the State of California, which included all of the wine-grape vines, in 1916, with that exception, voted dry by 38,000 majority.

I thank you for your attention.

Senator GRONNA. Is it your belief, then, Mr. Randall, that the growers of grapes are not so much interested in the industry as the makers of the wine? In other words, is it possible for the growers of grapes to use their lands for growing fruits and other products?

Mr. RANDALL. Oh, absolutely so.

Senator GRONNA (continuing). Without being totally ruined, as indicated by your colleague?

Mr. RANDALL. Absolutely. They have been transferring into other business for five or six years, owing to the very low price of grapes that has prevailed, as shown by this official publication, since 1907.

Senator GRONNA. Suppose the committee should feel like reporting out the amendment submitted here, would you want that to take



effect immediately, or would you want them to be given time so as to be able to gather their crop of grapes?

Mr. RANDALL. I would not want to make any suggestion on that proposition. I think that if the amendment of the Senator from Nebraska should be adopted it would benefit the California Wine Makers' Association more than it would the small grower of grapes. The California Wine Makers' Association, in addition to being the manufacturer of 80 per cent of the wine, has a very large acreage which it cultivates itself. Naturally, the crop grown on that acreage will be used by the California Wine Makers' Association, rather than for it to buy of the small grape growers; so that the small grower is going to be pinched out in any event this year, regardless of what is done here.

Senator GRONNA. But would it not be quite a large loss to the growers of grapes if prohibition should go into effect immediately—if they should be prohibited from manufacturing these wine grapes into wine?

Mr. RANDALL. As I have just said, I think the small grower of grapes, unless he happens to be the owner of a small winery, will not be able to sell his grapes for wine purposes—not to the California Wine Association, because their own acreage undoubtedly will supply practically all the grapes they will use.

Senator GRONNA. Can they make any other use of those grapes?

Mr. RANDALL. Well, as I said in my opening statement, when grapes have been dried in the last few years they feed it to their stock, and I understand that it makes a very valuable stock feed.

Senator SMITH of South Carolina. There are 40 minutes remaining to those in favor of the proposed amendment.

Mr. DINWIDDIE. Mr. Chairman, if it is agreeable to you, could not the 30 minutes remaining to the other side be taken at this time, and then I will ask Mr. Bryan to speak before the members of the committee have to go over to the Senate?

Senator SMITH of South Carolina. I would like to ask if Mr. Bainbridge Colby is present? He was to appear this morning, and I promised that I would let him speak for a few minutes. If not, those in opposition to the amendment will be heard now.

**STATEMENT OF MR. JOSEPH PROEBSTLE, GENERAL SECRETARY  
OF THE UNITED BREWERY AND SOFT DRINK WORKERS OF  
AMERICA.**

Senator SMITH of South Carolina. Will you give your full name, please.

Mr. PROEBSTLE. My name is Joseph Proebstle. I was at the labor convention of the American Federation of Labor, when we heard from the Associated Press that the hearings on this proposed amendment were going to be held this week; and the intention was at first to send a telegram in protest to the chairman of this committee, which would read as follows:

According to Associated Press dispatch hearing on Jones prohibition amendment is set for next week. On account of American Federation of Labor convention now in session we are prevented from attending these hearings to voice our protest against the passage of this bill, which we consider an unnecessary burden upon the workers of this Nation. The curtailment of beer and wine from the scanty fare of the toilers will create dissatisfaction, and we urge upon you not to consider favorably any further prohibition legislation.

This telegram was signed by all the leading executive officers of the American Federation of Labor on Saturday last, representing 2,096,500 toilers of America.

Senator KENYON. Did the convention indorse those resolutions? Was there any action on the part of the convention on them?

Mr. PROEBSTLE. Individually; each one signed his own name.

Senator KENYON. Everybody at the convention?

Mr. PROEBSTLE. Yes, sir.

Mr. BRYAN. Oh, no; you mean the officers?

Mr. PROEBSTLE. The leading officers of the organizations.

Senator KENYON. I understood you to say the convention of the American Federation of Labor—did they take any action on it?

Mr. PROEBSTLE. Officially, no. President Gompers, however, instructed Mr. Hayne and myself to proceed with the telegram to Washington, rather than sending the telegram.

Senator NORRIS. Did President Gompers sign the resolution?

Mr. PROEBSTLE. No; he did not. He is not an executive officer of his organization. President Perkins, of the Cigar Makers' Union, is the leading officer of that organization, and he signed it.

Senator THOMPSON. Was there any resolution introduced before the convention as a whole?

Mr. PROEBSTLE. No; we had no idea that any such action was contemplated.

Senator THOMPSON. It was not considered by the assembly, then, but merely by the officers?

Mr. PROEBSTLE. The leading officers of the labor movement in America.

Senator KENYON. Can you give the committee the different organizations with which they are connected? Are there very many of them?

Senator SHEPPARD. Read their names, please, and the organizations with which they are connected.

Mr. PROEBSTLE (reading):

A. A. Myrup, Bakers' International Union.

Jere L. Sullivan, Hotel and Restaurant Employees' International Union.

Emanuel Kavelski, president New York State Trades Union Liberty League.

J. W. Hays, president union label trades department, American Federation of Labor; secretary-treasurer International Typographical Union of America.

James D. Dold, Upholsterers and Trimmers' International Union of America.

Matthew Woll, president International Photo Engravers of America.

George W. Lawson, secretary Minnesota State Federation of Labor.

Frank Feeney, president Elevator Constructors of North America.

B. A. Larger, general secretary United Garment Workers of America.

David L. Gould, Amalgamated Lace Operatives' International Union.

James P. Noonan, acting international president International Brotherhood of Electrical Workers of America.

C. L. Blaine, general secretary-treasurer Boot and Shoe Workers' International Union.

James Duncan, Granite Cutters' Association of America and first vice president American Federation of Labor.

Collis Lovely, Boot and Shoe Workers' International Union.

A. McAndrew, president Tobacco Workers' International Union of America.

James F. Brock, Laundry Workers' International Union.

Charles R. Atherton, Metal Polishers' International Union of America.

William L. Hutcheson, general president United Brotherhood of Carpenters and Joiners of America.

Daniel J. Tobin, general president Teamsters and Chauffeurs' International Union of America.

James Wilson, president Pattern Makers' League of North America and chairman Labor Mission to Allied Countries.

Michael F. Claffy, secretary-treasurer C. M. and E. Tile Makers and Helpers' International Union.

James J. Daley, C. M. and E. Tile Makers and Helpers' International Union.

John P. Frey, editor International Molders Journal and secretary Labor Mission to Allied Countries.

Milton Snellings, general president International Union Steam and Operative Engineers.

William H. Johnson, president International Association of Machinists of North America.

Frank J. Hayes, president United Mine Workers of America.

James P. Holland, president State Federation of Labor of New York State.

John Golden, president United Textile Workers of America.

Ernest Bohn, secretary Central Federated Union of New York City.

Timothy Healy, president International Brotherhood of Stationary Firemen.

Peter J. Brady, president New York State Allied Printing Trades.

Martin Lawlor, secretary-treasurer United Hatters of North America.

Charles H. Moyer, president International Union Mine, Mill, and Smeltermen of America.

John J. Manning, secretary union label trades department of American Federation of Labor.

Edward I. Hannab, international secretary Pavers and Rammermen.

George Leary, Metal Polishers' International Union.

James J. Ryan, Sheet Metal Workers' International Union.

H. C. Diehl, Metal Polishers' International Union.

Martin F. Ryan, general president Brotherhood of Railway Carmen of America.

W. H. McHugh, vice president International Printing Pressmen's Union of America.

Andries Meyer, Diamond Workers' Protective Union of America.

E. L. Tucker, Central Labor Union, Washington, D. C.

Hubert S. Marshall, International Union Journeymen Horseshoers of America.

W. W. Britton, president Metal Polishers' International Union.

Senator SMITH of South Carolina. Let me ask you one question at this point; and I suppose the committee will be willing that that at protest, with the names appearing on it, be printed in the record?

Senator NORRIS. Yes, Mr. Chairman.

Senator GRONNA. I was going to suggest that, Mr. Chairman.  
(The protest referred to is here printed in full, as follows:)

[Telegram.]

ST. PAUL, June 15, 1918.

Hon. Senator SMITH,

*Acting Chairman, Agricultural Committee,*

*Senate Building, Washington, D. C.*

According to Associated Press dispatch, hearing on Jones prohibition amendment is set for next week. On account of American Federation of Labor convention now in session we are prevented from attending these hearings to voice our protest against the passage of this bill, which we consider an unnecessary burden upon the workers of this Nation. The curtailment of beer and wine from the scanty fare of the toilers will create dissatisfaction and we urge upon you not to consider favorably any further prohibition legislation.

	Membership.
A. A. Myrup, Bakers' International Union -----	20, 400
Jere L. Sullivan, Hotel and Restaurant Employees' International Union -----	65, 200
Emanuel Kavelsi, president New York States Trades Union Liberty League*.	
J. W. Hays, president Union Label Trades Department American Federation of Labor; secretary-treasurer International Typographical Union of America -----	63, 300
Jas. D. Dold, Upholsterers and Trimmers' International Union of America -----	4, 800
Matthew Woll, president International Photo Engravers of America.	5, 100



## Membership.

George W. Lawson, secretary Minnesota State Federation of Labor*.	
Frank Feeney, president Elevator Constructors of North America.	2,900
B. A. Larger, general secretary United Garment Workers' of America	45,000
David L. Gould, Amalgamated Lace Operatives' International Union.	1,200
James P. Noonan, acting international president International Brotherhood of Electrical Workers of America	54,400
C. L. Blaine, general secretary-treasurer Boot and Shoe Workers' International Union	35,800
James Duncan, Granite Cutters Association of America and first vice president American Federation of Labor	11,900
Collis Lovely, Boot and Shoe Workers' International Union*.	
A. McAndrew, international president Tobacco Workers' International Union of America	3,300
James F. Brock, Laundry Workers' International Union	5,500
Charles R. Atherton, Metal Polishers' International Union of America	10,000
William L. Hutcheson, general president United Brotherhood of Carpenters and Joiners of America	267,300
Daniel J. Tobin, general president Teamsters and Chauffeurs' International Union of America	72,900
James Wilson, president Pattern Makers' League of North America, and chairman Labor Mission to Allied Countries	8,800
Michael F. Claffy, secretary-treasurer C. M. and E. Tile Makers and Helpers International Union	2,800
James J. Daley, C. M. and E. Tile Makers and Helpers International Union.	
John P. Frey, editor International Molders Journal and secretary Labor Mission to Allied Countries	50,000
Milton Snellings, general president International Union Steam and Operative Engineers	23,000
William H. Johnson, president International Association of Machinists of North America	143,600
Frank J. Hayes, president United Mine Workers of America	413,400
James P. Holland, president State Federation of Labor of New York State.*	
John Golden, president United Textile Workers' of America	45,900
Ernest Bohm, secretary Central Federated Union of New York City.*	
Timothy Healy, president International Brotherhood of Stationary Firemen	17,100
Peter J. Brady, president New York State Allied Printing Trades.*	
Martin Lawlor, secretary-treasurer United Hatters of North America	9,100
Charles H. Moyer, president International Union Mine, Mill, and Smeltermen of America	16,700
John J. Manning, secretary Union Label Trades Department of American Federation of Labor.*	
Edward I. Hannah, international secretary Pavers and Rammermen	1,700
George Leary, Metal Polishers' International Union.	
James J. Ryan, Sheet Metal Workers' International Union	18,300
H. C. Diehl, Metal Polishers' International Union.	
Martin F. Ryan, general president Brotherhood of Railway Carmen of America	53,400
W. H. McHugh, vice president International Printing Pressmen Union of America	34,000
Andries Meyer, Diamond Workers' Protective Union of America	400
E. L. Tucker, Central Labor Union, Washington, D. C.*	
Hubert S. Marshall, International Union Journeymen Horseshoers of America	5,400
W. W. Britton, president Metal Polishers' International Union.	
P. J. Morrin, Bridge and Structural Iron Workers' International Union	16,000
Frank X. Noschang, president Barbers' Union	38,400
James C. Shanessy, organizer, Barbers' Union.	
C. F. Foley, second vice president Barbers' Union.	
Jacob Fischer, general secretary-treasurer Barbers' Union.	
L. M. Ott, Iron City Central Labor Council, Pittsburgh, Pa.*	

	Membership.
Edward F. Welsh, Plumbers and Steamfitters United Association of America-----	32,000
Martin T. Joyce, secretary-treasurer Massachusetts State Branch American Federation of Labor.*	
Max Pine, secretary United Hebrew Trades of America-----	250,000*
J. N. Weber, president American Federation of Musicians-----	65,000
G. W. Perkins, president Cigar Makers' International Union of America-----	39,500
H. J. Conway, secretary-treasurer Retail Clerks' International Protective Association of America-----	15,000
J. H. Walker, international representative United Mine Workers of America.	
R. F. Farrington, president Illinois Miners' Union.*	
Domnick D. Alessandro, Hod Carriers' and Building Laborers' International Union-----	36,700
W. E. Bryan, Leather Workers' International Union-----	4,100
James Lord, president Mining Department American Federation of Labor.*	
J. E. McClory, president Bridge and Structural Iron Workers of America.	
Thomas R. Preece, Bricklayers of America-----	70,000
Raymond Cleary, Electrical Workers of America.	
Walter V. Price, Bricklayers of America.	
John R. McMullen, Bridge and Structural Iron Workers of America.	
Daniel M. Gayton, Bridge and Structural Iron Workers of America.	
Matthew Roberts, Longshoremen International Association-----	26,000
J. A. Johnson, first vice president Bridge and Structural Iron Workers of America.	
P. J. McCarthy, San Francisco Labor Council.*	
Thomas S. Kearney, Plumbers and Steamfitters of America.	
J. Giles, Office Workers American Federation of Labor, Washington, D. C.-----	200
W. J. McCain, second vice president International Association Bridge and Structural Iron Workers.	
Thomas L. Hughes, secretary-treasurer Teamsters, Chauffeurs, and Helpers of America.	
John J. Hynes, general president Amalgamated Sheet Metal Workers of America.	
Daniel M. Hassett, International Sheet and Copper Plate Printers of North America-----	1,200
William P. Clarke, president American Flint Glass Workers-----	9,900
Robert P. Brindell, Central Federated Union, New York City.*	
William J. McSorley, Wood, Wire, and Metal Lathers' International Union-----	6,000
Charles W. Fry, International Association of Machinists.	
Joseph Proebstle, John Rader, A. J. Kugler, John Sullivan, Joseph Obergfell, Brewery and Soft Drink Workers of America-----	45,000
Total membership represented-----	2,096,500

NOTE.—A single star denotes bodies whose membership is included in national and international trade-unions, the purpose being to avoid duplication of membership.

Entries marked with a star includes greater New York locals of the Ladies' Garment Workers and many locals of other trades the greater number of which are not affiliated to national bodies.

#### UNITED STATES,

*Washington, District of Columbia, ss:*

Joseph Proebstle, being first duly sworn on oath, deposes and says that he is a resident and citizen of Cincinnati, Ohio, and has been an officer for many years past and now is the general secretary of the United Brewery and Soft Drink Workers of America. That the foregoing and annexed petition and the names thereto attached is a true and exact and correct copy of the original petition, signed by the names of the persons appearing thereon. He knows each and every person who so signed said original petition and knows their signatures and alleges that said signatures are true and genuine. That the said signatures represent the names of over two-thirds of the members attending the

convention of the American Federation of Labor at St. Paul, Minn., beginning June 10, 1918; and the persons signing said petition are the leading officers of their representative organizations and authorized to sign the same and represent the true and correct sentiment of the said organization, approximately over 2,000,000 organized laboring men in America, and by such representation express the sentiments and interests of over 85 per cent of the workers of America. That the reason all of said delegates to said convention did not sign the same is that at the time same was presented such delegates were absent from the convention hall, and lack of time prevented the presentation of said petition for signature, as this deponent left St. Paul on June 15, 1918, for Washington, D. C., and said petition was presented at the convention to the members on the morning of June 15, 1918, at about 10 a. m., and the convention adjourned at about 11 a. m. until Monday, at 9.30 a. m.

JOSEPH PROEBSTLE.

Subscribed and sworn to before me this 18th day of June, 1918.

[SEAL.]

WILLIAM ROSSER,  
*Notary Public, District of Columbia.*

My commission expires October 15, 1921.

DISTRICT OF COLUMBIA,

*City of Washington, to wit:*

I, William Rosser, a notary public in and for the aforesaid District, do hereby certify that I have compared the copy of petition of the Brewery and Soft Drink Workers of America, attached hereto with the original, and find the same to be a true copy of said original. (Except membership and notation at bottom.)

Witness my hand and seal this 18th of June, 1918.

[SEAL.]

WILLIAM ROSSER,  
*Notary Public, District of Columbia.*

My commission expires October 15, 1921.

[Telegram.]

ST. PAUL, June 15, 1918.

Hon. Senator SMITH,

*Acting Chairman Agricultural Committee.*

*Senate Building, Washington, D. C.*

According to Associated Press dispatch hearing on Jones prohibition amendment is set for next week. On account of American Federation of Labor convention now in session we are prevented from attending these hearings to voice our protest against the passage of this bill which we consider an unnecessary burden upon the workers of this Nation. The curtailment of beer and wine from the scanty fare of the toilers will create dissatisfaction and we urge upon you not to consider favorably any further prohibition legislation.

JOHN R. ALPINE,  
*General President Plumbers and Steamfitters.*

JOHN A. VOLL,  
*President Glass Bottle Blowers Association.*

CHAS. C. SHAY,  
*International President I. A. T. S. E.*

JOHN MOORE,  
*Mine Workers Delegate.*

J. T. CAREY,  
*President Paper Makers.*

JOHN T. KANE,  
*President of International Union of Horse Shoers.*

Senator SMITH of South Carolina. The point I want to ask about is this: Are these men whose names appear on that paper authorized by any rule of their organization to speak officially for the organization on any subject that may come up, without action on the part of the organization they represent?



Mr. PROEBSTLE. They are, concerning the business of the labor movement, on all questions.

Senator SMITH of South Carolina. So that you take it that those men were speaking officially for their organizations when they signed that paper?

Mr. PROEBSTLE. I do.

Senator THOMPSON. Did those officers hold a meeting after the adjournment of the assembly of the American Federation of Labor?

Mr. PROEBSTLE. The press dispatches came from Washington on Saturday morning, and the convention held a session of only an hour and a half; and during the session this telegram was signed.

Senator SMITH of South Carolina. The reason I asked that question is that this committee would not know, of course, just what importance should be attached to these individual protests, unless we knew exactly what weight they carry other than that derived from the mere individual signatures of those officers.

Mr. PROEBSTLE. Mr. Chairman, it is always conceded in the ranks of organized labor, that the officers of organized labor know the sentiment of the rank and file, when they are in convention expressing the sentiment of the toilers on all questions, legislative or economic.

Senator SMITH of South Carolina. So, then, you mean to say that those names signed to that protest constitute an official protest from the organizations that those men represent?

Mr. PROEBSTLE. I think so, Mr. Chairman, because no officer of any labor organization would take it upon himself to sign a document and take the chance of the disapproval of the rank and file; it would cost him his head at the convention of his organization if he should do so.

Senator SHEPPARD. What branch of the labor organization do you represent?

Mr. PROEBSTLE. I represent the Brewery Workers of America.

Senator KENYON. How many brewery workers are there in America?

Mr. PROEBSTLE. Sixty thousand.

Senator KENYON. How do the ages of those brewery workers run?

Mr. PROEBSTLE. From 20 to 68 and 70 years.

Senator KENYON. Men from 20 years old to men 68 and 70 years old?

Mr. PROEBSTLE. Yes, sir.

Senator SMITH of South Carolina. I would like to get this point made clearer, because this is a matter of such national and far-reaching importance that we must get the weight of this testimony pro and con:

Has it been the custom of your organizations to take action similar to this on important questions without submitting them to the membership of the organization? Has it been the custom of the officers of the different organizations named in that protest, which are affiliated with the American Federation of Labor, to take action similar to this, binding their organization without submitting the matter in hand to the organization for such action as the membership sees fit to take?

Mr. PROEBSTLE. It has been repeatedly the practice. In fact, Mr. Chairman, last spring I submitted to the President and to the Senate and House of Representatives, as well as to the War Department and

to the Agricultural Committee, I believe, a set of resolutions signed individually by labor organizations from all over the country--local organizations representing the same amount of membership as these officers now represent. But it was done locally by individual meetings.

Senator SMITH of South Carolina. The reason I am asking you this question is that you said that you had no idea that this matter was coming up.

Mr. PROEBSTLE. Yes, sir.

Senator SMITH of South Carolina. And you said that you took this action immediately on hearing of it and decided to send a telegram.

Mr. PROEBSTLE. Yes, sir.

Senator SMITH of South Carolina. And I thought it was a little extraordinary that a matter of such vital importance to the Nation as this should be acted upon officially without submitting the matter to the several subdivisions that constitute the American Federation of Labor.

Mr. PROEBSTLE. There was not sufficient time to do that.

Senator KENYON. You took this paper around yourself and got those people to sign it?

Mr. PROEBSTLE. The moment that they heard that a telegram of that nature was framed they came to the table and demanded an opportunity to sign it.

Senator KENYON. But please answer my question. You took that paper around and got the signatures, did you not?

Mr. PROEBSTLE. It was signed at my table.

Senator KENYON. But did you ask them to sign it?

Mr. PROEBSTLE. When the telegram was framed, I naturally, as one representative of labor organizations, explained the proposition that this was up in Congress; and it caused a storm of indignation.

Senator THOMPSON. And you say the convention was in session?

Mr. PROEBSTLE. Yes; the convention was in session.

Senator THOMPSON. And although there was that storm of indignation, no one, not even you, offered a resolution in the convention?

Mr. PROEBSTLE. It could not be done under the laws and rules of the convention.

Senator THOMPSON. How large a convention was this?

Mr. PROEBSTLE. About 400 delegates were present.

Senator THOMPSON. About 400 delegates?

Mr. PROEBSTLE. Yes.

Senator THOMPSON. And do you mean to say that they would not have any voice on a proposition of this kind under your rules?

Mr. PROEBSTLE. It could not be injected into the convention, because the time for the introduction of resolutions was passed.

Senator THOMPSON. And there was no way to set aside the rules on an important matter of this kind, so that that could be done--so that you could get the expression of 400 representatives of labor, rather than of the officers of the different organizations?

Mr. PROEBSTLE. The fact that we started with the individual signatures of the officers of every labor organization is more important to us than the mere passage of resolutions.

Senator THOMPSON. Regardless of the wishes of the individual members of the labor organizations?

MR. PROEBSTLE. The individual membership had expressed itself last spring, when I presented a resolution of exactly the same kind, with their indorsement, to the President and to the Senate; it must be on file here.

Senator SMITH of South Carolina. I would like you to understand that the chair, in asking the question it did, simply wanted it to be on record from you, as a delegate from the convention, that these executive officers of the American Federation of Labor, whose signatures are on that paper, are duly authorized by the rules and regulations of your organization to speak officially for all of the membership that they represent.

Now, I am not taking any sides one way or the other in asking that question. I simply want to know if this protest officially binds the American Federation of Labor?

MR. PROEBSTLE. The American Federation of Labor, Mr. Chairman, is composed of the representatives of the international organizations. The officers of the international organizations are the parents of the American Federation of Labor, and they, rather than the federation itself, are the voice of the toilers.

Senator SMITH of South Carolina. That is the point I wanted to get. I want that shown in the record, so that we will understand your methods of procedure.

Senator SHEPPARD. Did the convention of the American Federation of Labor take any action on the Nation-wide prohibition amendment that is now pending before the States?

MR. PROEBSTLE. No.

Senator KENYON. Where did this telegram that you speak of come from?

MR. PROEBSTLE. This came in this morning from St. Paul. This [indicating] is a telegram that I have received since coming to Washington. It shows that, in addition to the signatures shown on the protest, Mr. Thomas F. Flaherty, secretary-treasurer of the National Federation of Postal Employees, has signed the petition, and a number of other officers of organized labor have signed it. I will read their names and the names of their organizations to you:

Luther C. Stewart, first vice president National Federation of Federal Employees; H. E. Heberling, president Switchmen's Union of North America; John F. Hart, president Amalgamated Meat Cutters and Butcher Workmen of North America; Charles Dold, president Piano and Organ Workers of North America; John H. Donlin, president Building Trades' Department of the American Federation of Labor.

The telegram referred to is here printed in full, as follows:

ST. PAUL, MINN., June 17, 1918.

JOSEPH PROEBSTLE, *Washington, D. C.:*

Following indorsed protest against prohibition amendment: Thomas F. Flaherty, secretary-treasurer National Federation of Postal Employees; Luther C. Stewart, first vice president National Federation of Federal Employees; H. E. Heberling, president Switchmen's Union of North America; John F. Hart, president Amalgamated Meat Cutters and Butcher Workmen of North America; Charles Dold, president Piano and Organ Workers of North America; and John H. Donlin, president Building Trades' Department of the American Federation of Labor. Another petition forwarded yesterday.

JOHN RADER.



Senator NORRIS. I wish you would tell the committee, if you have got through with that petition, how it happened that the officers of the different branches of the American Federation of Labor became so vitally interested in this question of the conservation of food that is used in the making of beer and the prohibition of the sale of whisky during the war.

Mr. PROEBSTLE. Mr. Chairman, the workingmen as a whole are probably not vitally interested in the conservation of whisky, but the workingmen as a whole are vitally interested to see that you do not attempt to take away their beer. They consider beer an absolutely necessary food to the toiler. You go and dig in a mine or in a ditch, or do other work in the hot sun or in the steel factory, and you have your dry lunch at noontime, consisting of some dry bread, which probably contains barley or corn, dried out quicker than ordinary wheat bread is dried out, and probably a piece of cheese or sausage, and you need an adjunct to that lunch in order to make that food digestible. And I can tell you that you are now dealing with a question which is very vital to the workers of the country.

Senator GRONNA. Of course, that would not necessarily apply where people are out of doors; it would not apply to the farm laborers, would it?

Mr. PROEBSTLE. I believe even the farm laborer wants it. Delegates to the convention from Oregon and Washington stated that there are 50,000 breweries in operation in Oregon to-day instead of 4, as formerly, and that they are making beer which contains between 8 and 12 per cent alcohol instead of  $2\frac{3}{4}$  per cent, as formerly.

Senator NORRIS. One reason why you oppose this legislation is because it will put so many of your people out of employment, is it not?

Mr. PROEBSTLE. That is one reason; yes, sir. Another reason is that it is an unnecessary hardship on the toilers.

Senator NORRIS. Yes; I understand your position as to that. But one of the reasons is that if we pass any prohibition legislation, it will put so many men out of employment.

Now, if it is true that where they have prohibition they have so much more beer and so many more breweries than where they do not have prohibition, why would it not be a good thing for you people if we had prohibition? You will have more beer and more employment.

Mr. PROEBSTLE. The workingman does not want to be placed in the position of a lawbreaker. In the prohibition States where prohibition has been enforced, you have placed the toilers in the position of petty law violators.

Senator NORRIS. How have we placed them in that position?

Mr. PROEBSTLE. Because bootlegging and moonshining is rampant.

Senator NORRIS. Well, they are not compelled to be bootleggers or manufacturers of beer, are they?

Mr. PROEBSTLE. No.

Senator NORRIS. Then they become lawbreakers of their own free will, do they not?

Mr. PROEBSTLE. No; but you can not reform people by legislation; and the average workingman does not consider the drinking of beer a crime.

Senator GRONNA. I do not want to take up any of your time, but I would like to say that there are States where prohibition actually does prohibit; I can name those States. And I can say to you in all seriousness—I am sitting here as a judge in this matter; but I want to say to you that you do not want to include all the States when you say that prohibition does not prohibit, because that is not true. In the State of North Dakota, which in part I represent, there is no drinking of beer, or whisky, or anything else, to amount to anything. I want to say that in all seriousness—and for 25 years there has been no drinking of beer or whisky to any great amount.

Senator KENYON. What State are you from?

Mr. PROEBSTLE. Ohio. I have always admired the man who is a total abstainer, but I have always despised the man who is a hypocrite and legislates for somebody else, and then may manufacture liquor himself, as I have seen prohibitionists do in prohibition States.

Senator KENYON. I take it that you are opposed to prohibition in general?

Mr. PROEBSTLE. I am, sir, honestly opposed to it; from practical experience I am honestly opposed to it.

Senator KENYON. What is your business?

Mr. PROEBSTLE. I am secretary of the Brewery Workers' Association.

Senator KENYON. Before that, what was your business?

Mr. PROEBSTLE. I am a brewer by trade.

Senator KENYON. Have you any stock in a brewery?

Mr. PROEBSTLE. No.

Senator SMITH of South Carolina. Are there any further questions to be asked of this witness?

Mr. PROEBSTLE. Now, Mr. Chairman, in addition to what the petition shows, I would like to conclude with an appeal to the committee to make a scientific investigation, as our ally, England, has made into the problem.

The committee which recently made an investigation in England has seen fit to recommend that the increase of beer be provided for to the ammunition makers, as well as to those who are engaged in arduous toil elsewhere; and our ally, England, has even increased the proportion of beer to the soldiers at the front. It is buying its material here in this country, because the members of my organization are making it: that is how I know: the malt for the English beer to-day is malted in the malt houses of America. Members of our organization do the work.

Senator KENYON. How many men are engaged in this country to-day in making beer? Can you give the committee those figures?

Mr. PROEBSTLE. Sixty thousand.

Senator KENYON. I thought that was the membership of your organization.

Mr. PROEBSTLE. Yes, sir; it is.

Senator KENYON. Do you not know how many men are engaged in the business—

Senator THOMPSON (interposing). Including ordinary laborers.

Senator KENYON. Yes; ordinary laborers; everybody engaged in making beer in this country?

Mr. PROEBSTLE. Sixty thousand is our membership.

Senator KENYON. Do they all belong to your organization?

Mr. PROEBSTLE. Yes. There are some brewers unorganized, but they do not amount to more than about 3,000 or 4,000 men. The brewing industry is entirely organized.

Senator NORRIS. You do not include in that number the men engaged in the saloon business, such as bartenders, do you?

Mr. PROEBSTLE. No.

Senator NORRIS. That is just those actually engaged in the manufacture of beer, is it?

Mr. PROEBSTLE. Yes.

Senator NORRIS. What per cent of those so engaged are within the draft age?

Mr. PROEBSTLE. Probably 5 per cent. The men engaged in the brewing industry are mostly older men, and they have settled down, like in your home, Senator Norris, and become home owners.

Senator SHEPPARD. You said the convention of the Federation of Labor passed no resolution regarding nation-wide prohibition?

Mr. PROEBSTLE. No.

Senator SHEPPARD. Did it pass resolutions regarding any other matters of policy before the country?

Mr. PROEBSTLE. On general labor propositions. Now, the miners, for instances, have expressed themselves very strongly, Mr. Chairman, to the effect that they can not mine coal if you take the beer away from them; and I urge this committee to make an investigation in West Virginia, where the miners refused to work two or three days a week, in order to supply themselves with what they believe is necessary to their comfort in life.

Senator THOMPSON. I may have misunderstood your statement on one point, or you may not have said exactly what you intended. You do not mean to tell the committee, do you, that there are 40,000 breweries engaged in brewing beer now in the State of Oregon? I understood you to make that statement.

Mr. PROEBSTLE. Fifty thousand.

Senator THOMPSON. Fifty thousand?

Mr. PROEBSTLE. Home breweries.

Senator THOMPSON. Fifty thousand breweries engaged in the brewing business?

Mr. PROEBSTLE. No; they buy their material at the grocery store and brew it at home in their kitchen.

Senator NORRIS. Well, those 50,000 do not sell any beer; they drink that themselves?

Mr. PROEBSTLE. They drink that themselves—and God help them.

Senator NORRIS. Well, I think God ought to help them; He will have a job on his hands.

Senator THOMPSON. You do not mean they are engaged in the brewing business like the membership of your organization, do you?

Mr. PROEBSTLE. No; they are engaged in a home manufacturing business; in other words, prohibition has killed legitimate manufacture of beer and transferred it to the home manufacturer.

Senator THOMPSON. Have you ever investigated that matter in the State of Kansas, which has had successful prohibition for many years now? We do not have any such brewing business as that, unless I am very much mistaken.



Mr. PROEBSTLE. No; but you sell all kinds of whisky and beer in Kansas.

Senator THOMPSON. Do you mean to say publicly?

Mr. PROEBSTLE. Well, I bought it publicly in a drug store.

Senator THOMPSON. How many years ago was that?

Mr. PROEBSTLE. In Parsons, only two years ago.

Senator THOMPSON. Well, we would be glad to have men like you report to the authorities where you can make purchases of that character.

Mr. PROEBSTLE. I did it for my own information. I want to say that I am not a whisky drinker; but I drink beer, and have done so all my life.

Senator THOMPSON. But you do find the law strictly enforced, especially since the "bone dry" law went into effect, in our State?

Mr. PROEBSTLE. And the mine owners, as well as the miners, have appealed to the governor to supply them with beer.

Senator THOMPSON. They did not get it, however.

Mr. PROEBSTLE. I think an arrangement has been made that beer can be handled in the mines by the mine owner.

Senator THOMPSON. You are very much mistaken about that; no such thing as that can be accomplished. I will say that there can not be a single sale of liquor in Kansas without an arrest being made and a prosecution to the bitter end resulting; not a single one.

Senator SMITH of South Carolina. Mr. Colby, the committee will be very glad to hear from you now. I will call your attention to the fact, however, that the time at the disposal of the committee is very limited.

#### STATEMENT OF HON. BAINBRIDGE COLBY, MEMBER UNITED STATES SHIPPING BOARD.

Mr. COLBY. I thank the committee very much for hearing me.

Senator SMITH of South Carolina. Will you state your occupation and official position, Mr. Colby?

Mr. COLBY. I am exclusively occupied now in connection with my duties on the United States Shipping Board.

Senator SMITH of South Carolina. We only have a very few minutes left; but as an officer of the United States Government has asked that a member of its force be heard, I will ask the committee to extend the time for just a few minutes and give the same extension of time to the other side.

Mr. COLBY. I thank you very much for your courtesy, Mr. Chairman; but I shall require only the very briefest time to say what I have in mind.

I do not appear here, gentlemen, strictly upon any prompting of my own. I have not followed the discussion of the prohibition question in Congress in any of its phases with anything approaching studious and consistent attention. I say "in any of its various phases," because the motive of prohibition, the efforts of the sincere partisans of prohibition, have manifested themselves in various actions, both immediate and indirect.

I think I am stating the opinion of a great many observant men when I say that this rider upon an appropriation bill is regarded

by the generality of men as the attempt of the believers in the cause of prohibition to drive an important salient into the territory occupied by the opposition, and that in discussing it we can brush aside the avowed purpose or ostensible motives, and look upon it as a new advantage upon the part of the prohibition advocates.

I say that I did not come here, strictly, upon any prompting of my own. I am here to make a mere statement of belief and opinion entertained by the United States Shipping Board and the Emergency Fleet Corporation, the men, and the instrumentality upon which the Government has put this very responsible work of building our merchant fleet, of building transports for the conveyance of our troops; of keeping apace with the ravages of the submarine.

We believe, and it is an opinion formed deliberately and after much consultation and interchange of opinion, that the effect of this bit of legislation would be to reduce the efficiency of the workers in the shipyards, and to reduce their output of tonnage, by a very substantial amount. It is impossible for us to estimate that with accuracy; it must of necessity remain a matter of opinion until there is some experience upon which to base assertions. But I have heard the statement made by men who are in very close touch with the work going on in shipyards that the diminution in output which they apprehend as the indirect result of this legislation will certainly be as much as 25 per cent.

Senator KENYON. Does that apply to the aeroplane production also?

Mr. COLBY. I am not discussing aeroplane production, Senator. I have become, by intention, a most narrowminded and concentrated person: I look neither to the right nor to the left. Somebody asked me the other day about the conditions in another department of the Government; and I said, "I am more ignorant of that than any man you can pick out to interrogate." We have a task almost beyond our faculties. It certainly completely deserves the energies of the men working on it; and, as I say, I look neither to the right nor to the left. I am talking to you about the effect of the proposed legislation in the shipyard.

Senator THOMPSON. How do you arrive at that? You say there is nothing to base it on.

Mr. COLBY. I was at pains to say that it was a matter of opinion.

Senator THOMPSON. Yes.

Mr. COLBY. I will tell you how that opinion was reached: The work in the shipyards is very arduous; much of it is what you would call severe, hard toil. The men are engaged in work that taxes their muscular power. They work under conditions that are very trying to their physical condition. They are, many of them, men of foreign birth and extraction. They are accustomed to a mode of life in which this legislation would constitute a most violent change. They are, many of them, simple men; they are men who have been trained from early childhood to regard these indulgences as innocent; to regard their use of these stays and stimulants as in the nature of personal rights; to look upon their withdrawal as not only a hardship, but as an injustice; and if you realized the pains that we have been to to develop in the shipyards that spiritual attitude toward the work, that morale on the part of the worker, which

is a combination of encouragement and reward, or interest, of pleasure, of competition, and of contentment, you would realize how gravely we look upon anything which would tend to counteract that feeling, and put into the heart of the humble and yet patriotic shipyard worker a feeling of restlessness, discontent, and even physical deprivation and hardship.

Senator KENYON. Is that the unanimous opinion of the Shipping Board?

Mr. COLBY. I think I may say that that is not only the unanimous opinion of the Shipping Board, but of the men in more immediate charge of the work in the shipyards of the Emergency Fleet Corporation.

Senator KENYON. And you come to the committee representing the Shipping Board, do you?

Mr. COLBY. Exactly; and at the request of its chairman.

Senator KENYON (continuing). And state to the committee that, in the opinion of the Shipping Board, the passage of such a provision as this would retard the shipbuilding work?

Mr. COLBY. That is precisely the point I desire to make. And I desire not only to make that point, but I desire to have you absolve me from any intention to take part in the debate of a very great question. I have not given, as I say, anything like the time and study necessary to a mastery of this question in any of its important phases.

But will you allow me to say one thing further? It was only a few months ago that I went to the French front. I went to Europe, as some of you may recall, in connection with the American Mission to the Inter-Allied War Conference. I brought back with me a very deep impression of the concentrated thought and attention in Europe upon the mere problems of the war.

I am saying this that I am about to say, not in the least degree with any critical motive. But, as I see the intentness, the time, the earnestness, the interest that is thrown into this question, it strikes me as singular and strange that there is so much energy, parliamentary, studious, controversial energy in the country, when all our energies are needed from one ocean to the other to-day to throw back this terrible danger that confronts free institutions.

Senator KENYON. Food is needed, too, is it not?

Mr. COLBY. Senator, I refuse to be diverted by the titular heading of this bill.

Senator KENYON. It is not titular.

Mr. COLBY. The Food Administration is in hands in which the country places great confidence and reliance, and when I hear the Food Administration insisting upon this as a dernier resort, as a measure of emergency, I shall look upon this as a conservation, and not as a prohibition measure.

Senator NORRIS. Mr. Colby, what I am asking you is not asked in any spirit of contention. I am very much impressed by what you say, but I wanted first to ask you about your objection to this legislation in the way of a rider. A good deal of the legislation of the country is put into operation in that way.

Mr. COLBY. Do you not think that we all regret that that is the case?



Senator NORRIS. Yes; I do. But this feeling against this kind of legislation would be just as great, would it not, if it came in a separate bill as if it came in the way of a rider?

Mr. COLBY. Well, I think it would be intellectually better sportsmanship to put the question straight, to discuss it straight, and to decide it straight.

Senator NORRIS. Do you think those people that are working in the shipyards will object to it because it is a rider in an appropriation bill?

Mr. COLBY. No; that is a refinement which I reserve for discussion with the Senate committee; I do not think they will have any interest or concern with that.

Senator NORRIS. These people are patriotic, are they not, these workers in the shipyards?

Mr. COLBY. I think they are as patriotic an element as we have in the country.

Senator NORRIS. Well, if they were told by men like you, the Shipping Board, that the food that goes into beer was necessary to make bread and to be used as food to feed the Army and the men and women who support the Army, and that they ought to be willing to give up their draught of beer in order that other people who are hungry might have bread, would they not acquiesce in that?

Mr. COLBY. The first thing to be determined is whether anyone would have the hardihood to make that assertion to them.

Senator NORRIS. Then you do not believe that? I thought that was conceded.

Mr. COLBY. I do not think there is any convincing or authoritative expression on that point. I think, for instance, that there are men sitting around this table—I allude to a gentleman for whom I have had for years, and now have, very high respect, Mr. Bryan; I do not think Mr. Bryan will date his interest in the prohibitory flavor of this legislation from the moment when it became in any degree cognate to food legislation.

Let us be frank to each other. The prohibitionists are in favor of this, not the food conservers. And let us look at it as all men throughout the country regard it, as a prohibition measure. Now, I am not against prohibition; do not misunderstand me as to that.

Senator NORRIS. I understand that; but I want to say to you that I am for it as a matter of conservation.

Mr. COLBY. Then I respect you and will not quarrel with you.

Senator NORRIS. And if I were not convinced that it would conserve food that we need to win the war, my support of it would disappear at once.

Mr. COLBY. What I would like to see in this American Congress, which I respect, as every good American does, would be a discussion of these questions without the slightest suggestion of a partisan or a sectarian interest.

Senator NORRIS. I agree with you there.

Senator SMITH of South Carolina. Mr. Colby, will you allow me to call attention to the fact that the time of the committee is very limited, and that, as I understand it, you appear here to voice the suggestion of the Shipping Board—

Mr. COLBY. Yes; and you have given me good opportunity to do so. Senator SMITH of South Carolina (continuing). In this matter affecting the labor that is essential in the production of ships.

Mr. COLBY. That is the only purpose I have.

Senator SMITH of South Carolina. Now, I would like you to address yourself particularly to that, so that the committee may be advised, and if you have covered that——

Mr. COLBY (interposing). I have covered that completely, I believe. I have stated the belief of the men who are primarily charged with the prosecution of this great war. We are trying to make this work attractive. We are building at an outlay of \$50,000,000 to-day, attractive homes for the shipyard workers, we have been obliged to drive the piles and build concrete shipways in situations that are not suitable for the purposes of residence. We have 335,000 men working in the shipyards to-day; we want 600,000. We want to make the work attractive. We are devising schemes of competition, ingenious methods of reward. We are working to-day to provide means for the entertainment of the workers. There is a constant turnover of shifting and transient workers; at one time in the shipbuilding work it took 300 men to maintain 100 men constantly at work.

We fear anything that will disturb the carefully, laboriously brought about, and, we believe, crescendo rhythm of work and loyalty in the shipyards.

This, gentlemen, would constitute in many lives a most thorough-going and profound revolution. While we are fighting, bloody and sweating in the trenches, and while the outcome of this terrible, vast battle is not by any means clear, let us put our energy in converging our fighting energies on the front, and do not let us waste national energy in attempting, not only to reform a man's conduct, but practically to make over his appetites. There is a time for that. Let us fight now. The world is calling not for teetotallers but for soldiers. It wants not increase of righteousness but victory for free institutions.

I thank you.

Senator SMITH of South Carolina. The time of the opposition has now expired. The balance of the time is at the disposal of those in favor of the amendment.

Senator PHELAN. Mr. Chairman, I desire to file some telegrams which tell the whole story of the California wine situation; and I will not at this time address the committee.

Senator SMITH of South Carolina. Without objection, the material submitted by Senator Phelan will be inserted in the record.

(The material referred to was subsequently submitted by Senator Phelan, and is here printed in full as follows:)

#### STATEMENT OF HON. JAMES D. PHELAN, A SENATOR IN CONGRESS FROM THE STATE OF CALIFORNIA.

Senator PHELAN. Mr. Chairman, California is interested vitally in the production of wine grapes, and produces 90 per cent of all the wine produced in this country. It is an industry that has been fostered by the National and State Governments. Upward of \$150,000,000 are invested, and 170,000 acres of wine grapes are cul-

tivated. Much of the land is rough hillsides, incapable of growing anything else. There are comfortable and happy homes situated throughout this region. Where the land is available for orchard planting, it would take six years to grub out the vines, cultivate the soil, plant the trees, and wait for a new harvest. The present crop on the vines is worth \$11,000,000. The Jones amendment would destroy all this property, deprive numberless people of their homes and of their employment, and accomplish nothing in the way of food conservation. The wine-grape is not a food, and the Food Administration so holds, as well as the Department of Agriculture, and does not ask that the wine-grape industry be destroyed by law. It is well known that in the wine-making country there is conspicuous sobriety. The Latin people do not use tea and coffee with accompanying milk and sugar, but use claret and light white wines with their meals. Should they be forced on a tea and coffee diet they would consume more food-stuffs. The moderate use of wines brings contentment, and it is the experience of all countries that men work better—that is, produce more—when they are cheerful and contented.

A large part of our wines are now exported to Europe, where, in Italy and France, a ration of wine is given to the troops, which these Governments believe is highly desirable to preserve the morale and sustain men in their perilous and arduous work for the preservation of free institutions. The hero Empey, in his "Over the Top," shows the necessity of giving the men this ration in order to preserve their fighting spirit. It is hard to fight on an exclusive diet of baked pork and beans. We are exporting hundreds of thousands of tons of barley, hops, glucose, and sugar for brewing purposes to foreign countries. This should be stopped in case we stop domestic consumption. One-half the hops grown in the United States are produced in California. It is not food. The converting of any more barley into malt is now prohibited by the Food Administration until the new crop is harvested. I therefore ask that wine grapes be excluded from any prohibitory legislation; that the crops on the vines be undisturbed; and, if any amendment is approved by the committee, that it shall not go into effect until one year after its passage. The Federal amendment, if ratified by 36 States, will mean total prohibition, but that amendment will not be operative until one year after its ratification, which is only reasonable in dealing with vast property interests now seeking liquidation and readjustment after having been for years encouraged by State and Nation.

I beg to submit telegrams from people best informed supporting the merits of my contention.

The following resolution was adopted by the executive committee of the California Grape Protective Association, on May 25, 1918:

Whereas the Randall amendment to the food-production bill would cause the loss of more than 500,000 tons of wine grapes in California this year, now hanging on the vines, and harvesting begins in 90 days; and

Whereas wine grapes are not a food product, and there are no existing facilities for transforming them into any food product except wine; and

Whereas the growers have spent many years in creating the vineyards, and almost a year's work has gone into the growing crop which should bring to growers, unless the Randall amendment destroys, nearly \$15,000,000, and the resulting product should yield a great revenue to the Government through the stamp tax on wines; and

Whereas the amendment would ruin thousands of vineyardists, would impair Government revenue, and would not serve the purpose of conserving food,



for the grapes would rot on the vines, but the folly of the attempt as applied to grapes and the resultant destruction of property would cause widespread suffering and dissatisfaction; therefore be it

*Resolved* by the executive committee of the California Grape Protective Association, in session in San Francisco this 25th day of May that we request our Congressional delegate to vigorously oppose this destructive, unjust, and confiscatory measure and insist that the matter be left to the judgment of the President, in whom the grape growers have confidence.

FRANK T. SWETT, *President*.  
H. F. STOLL, *Secretary*.

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Jones amendment allows no opportunity to complete liquidation of wine industry or to dispose of growing crops. Vineyard cultivation this year cost more than \$10,000,000; think will all be lost if proposed legislation enacted. Anticipating national prohibition, wine industry in this State is now in liquidation. Transportation and sale of existing wine stocks, consisting mainly of sweet wines with low alcohol content, should be permitted in any event, even if further manufacture prohibited. More than half a million dollars in fortifying taxes was paid last year to the Federal Government to preserve wines, which Jones amendment would now confiscate. Amendment would also confiscate thousands of tons of grapes, useful for no other purpose. There is no food conservation in Jones amendment, since wine grapes are not food. For fuel tonnage and food-conservation purposes, there is no more reason for legislating against grapes and wines than against nonalcoholic beverages which require as much if not more foodstuffs, fuel, and transportation tonnage.

OSCAR SUTRO.

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SACRAMENTO, CAL., May 25, 1918.

HON. JAMES D. PHELAN,

*Senate Office Building, Washington, D. C.:*

May we ask your immediate help to prevent the passage of the proposed legislation in the Senate which attempts to include wine grapes of this State as a food and prevent their use in the manufacture of wine? You know as a matter of fact that wine grapes are not an essential in the theory of the conservation of food, and that if their use in the making of wine were prohibited by the proposed legislation there would be no means of disposing of them, the coming vintage, or indeed at all. We make a very serious point of this and ask you to use it in argument.

STATE BOARD OF VITICULTURAL COMMISSIONERS,  
E. M. SHEEHAN, *Secretary*.

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SACRAMENTO, CAL., May 25, 1918.

HON. JAMES D. PHELAN,

*United States Senate, Washington, D. C.:*

At the urgent request of a large clientage, we ask your aid to prevent the passage of the Randall amendment which means immediate and absolute ruin to all brewers, hop growers, and allied interests without improving the condition of our food supplies. One half the hops grown in the United States are produced in California. The converting of any more barley into malt is now prohibited by Food Administration until new crop is harvested. Regardless of the scarcity of ocean tonnage we are shipping vast quantities of our barley and malt to England, France, Italy, Norway, Sweden, Denmark, Holland, Japan, also to Central and South American countries, in all of which countries beer is brewed from grains shipped to them by us. To meet the demands of its workmen England found it necessary to increase beer brewing from the material curtailment ordered during the first stages of the war and is now using over 800,000 tons of barley, glucose, and sugar annually for beer brewing against which shipments are made by us. Our clients are unable to understand why their vast industries should be ruined, even without compensation, when we are furnishing such immense quantities of grain to other countries for the brewing of their beers. Our patriotic workmen when confronted with these facts will resent such unwise and unfair legislation. If our Government could impose a condition that none of our barley exported should be used for the brewing

of beer by the countries receiving it, a vast surplus would promptly accumulate. We are appealing to you to acquaint our honored and admittedly fair-minded President with the facts herein contained, and sincerely hope that this proposed unwise legislation will not be sanctioned or permitted.

CALIFORNIA NATIONAL BANK.

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LOS ANGELES, CAL., May 27.

HON. JAMES D. PHELAN,  
*Washington, D. C.:*

Owners of wineries represent to us that 170,000 acres of wine grapes will be in bearing this fall and that these grapes can only be used for the purpose of manufacturing wine; that the Randall amendment, as far as these grapes are concerned, would not be in the interest of food conservation, and that President now has discretionary powers to protect against misuses of foods.

LOS ANGELES CHAMBER OF COMMERCE.

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JACKSON, CAL., May 30, 1918.

HON. JAMES D. PHELAN,  
*United States Senator, Washington, D. C.:*

Jackson Central Labor Council is on record as opposing any legislation which would eliminate light wines and beers, and therefore respectfully urges you to vote against the Randall amendment.

JAMES GIANBRUNO,  
*Secretary Jackson Central Labor Council.*

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SACRAMENTO, CAL., May 24, 1918.

Senator JAMES D. PHELAN,  
*Washington, D. C.:*

Food Administration orders now in force prohibit converting any more barley into malt until new crop is harvested. Randall amendment therefore will not increase quantity barley on hand for food purposes, but would immediately ruin brewing and vast hop industries. Our allies, under more desperate need for grains, have not felt justified in adopting such unwise legislation. England materially decreased brewing of beer in early stages of war, which proved so unwise that its production has been increased. Why ruin our industries and furnish barley to allies for brewing of their beer?

PETER B. NEWMAN,  
*Deputy Food Administrator,  
Secretary Consolidated Chamber of Commerce.*

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HEALDSBURG, CAL., June 8, 1918.

Senator JAMES D. PHELAN,  
*Washington:*

We would plead with Congress to uphold the protection of our grape industry. We "go over the top" in all of our patriotic contributions. The grape industry is vital to the life of our people. Its destruction will mean the bankruptcy of those who under Government protection have their all invested in this industry. Again we plead with Congress to protect our people of the valleys and hillsides in the same measure and fullness of heart that our people give as need be to uphold our flag and our country. We ask in the name of American citizens the protection which justice and patriotism should accord.

HEALDSBURG CHAMBER OF COMMERCE.

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GEYSERVILLE, CAL., June 10, 1918.

Senator PHELAN,  
*Washington, D. C.:*

There is no difference between the German destroying homes with bombs and the man who destroys the home with his vote. The Randall bill has this as its purpose. We are Americans. Don't destroy our homes.

EDWARD WILKINSON.

GEYSERVILLE, CAL., *June 10, 1918.*Senator PHELAN, *Washington, D. C.:*

I wish to state to the Senate that if the Randall bill should pass it would destroy many homes in this State that can not be replaced only with a few goats, and the Government would derive very little benefit. My place is all in wine grapes, grown on hill land in Sonoma County, which produced 340 tons last season, making a revenue of \$4,080, income taxes about \$150, Government deriving \$4,230 off this place, not including State or county taxes.

Mrs. SARAH SMITH.

SANTA ROSA, CAL., *June 8, 1918.*Hon. JAMES D. PHELAN, *Washington, D. C.:*

Your support is requested in the protection of the grape and hop production of California. Any prohibition legislation will result in disaster to the growers of such products, and this is no moment for internal dissension, and our Government needs the support of every individual. All our men are needed for the great issue with the entente powers, and prohibition legislation would occupy considerable man force in the effort to enforce the law and prosecute the infringers.

Mrs. L. L. WOODWARD,

*Wife of Former State Senator E. F. Woodward.*HEALDSBURG, CAL., *June 10, 1918.*Hon. JAMES D. PHELAN, *United States Senator:*

We have worked long, hard, and faithfully to get the barren hills under cultivation for the only thing that will grow on them—dry-wine grapes—and it would be ruination for me and hundreds of others if legislation forbids cultivation.

Again thanking you for what you have done in our behalf,

Yours, respectfully,

ANGELO TENCIONI.

ST. HELENA, CAL., *June 16, 1918.*

Hon. JAMES D. PHELAN,

*Senate Office Building, Washington, D. C.:*

Press dispatches state Jones amendment up Monday before committee. Growers I have called on in bay counties greatly alarmed and excited. Largest crop in years on vines, ready to harvest beginning August. All realize the seriousness of situation, and upon you they all rely to preserve their existence and make their fight, as you have done in the past.

SHELTON.

### STATEMENT OF HON. EVERIS A. HAYES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA.

My colleague, Mr. Kahn, has covered the ground raised by this Jones amendment so thoroughly that it leaves little more to be said. I would, however, like to say that I represent a district in which are annually produced several million gallons of dry wines. The grapes which produce these wines are raised largely by small vineyardists, the size of whose holdings run mostly from 10 to 100 acres in extent. They have spent their money to take care of their vineyards and have prepared to harvest the crop. Should this Jones amendment prevail, all this money will be a total loss and it will spell ruin to many, if not all, of these vineyardists.

The grapes into which the wines from my district are made are not, in the ordinary sense, food; in no condition could they be used for table grapes or made into raisins, or consumed in any way other



than in the manufacture of wines. No sugar or other extraneous substance is added in their manufacture, but the wines are the pure juice of the grapes and nothing else. All the grapes that will be made into wine this year could by no means constitute an extra ton of food. Whatever may be thought of other beverages, it is absolutely certain that nothing that goes into the wines of California reduces the food supply of the United States or the world in any degree whatever. Upon this ground there is, therefore, I submit, no excuse for striving to make this amendment apply to wines.

Senator SMITH of South Carolina. As the chair has stated, the time of the opposition to the amendment has expired. Any statement or other matters that those in opposition to the amendment desire to leave with the committee, the committee will be very glad to receive and treat it as if it had been submitted to the committee in an oral address.

Mr. BRADY. Mr. Chairman, my name is William H. Brady, and I represent the Manufacturers and Dealers' League of the State of New York. I have no prepared statement to submit to the committee, but I simply desire to protest against any action in this matter at this time.

Senator SMITH of South Carolina. Let me say that all those who desire to file statements or arguments with the committee may do so without calling the attention of the committee thereto at this time.

Senator SMITH of South Carolina. Mr. Cannon, will you proceed? And please state first your full name and your official connections.

**STATEMENT OF BISHOP JAMES CANNON, JR., CHAIRMAN OF THE COMMISSION ON TEMPERANCE AND SOCIAL SERVICE, METHODIST EPISCOPAL CHURCH SOUTH.**

Mr. CANNON. My name is James Cannon, jr., and I am chairman of the Commission on Temperance and Social Service of the Methodist Episcopal Church South.

I have no special zeal in making a speech, except that I think that in a hearing like this the great South should have a representative. We represent a tremendous body of the prohibition people of the country, and as I understand, up to the present time there has been no voice from that section heard in connection with this amendment. I think I can very properly speak for the Southern Baptists also, as I had a conversation with Dr. Barton, who is the chairman of their commission; and I know exactly the position that their great convention took.

I wish to read the resolution passed by our general conference, when it met on the 18th of May last. This general conference, representing as it does the great body of the citizenship of our Nation, 2,500,000 people, which is really a little more than the number represented by the gentleman representing the brewery interests who spoke a while ago, adopted this resolution.

The gentleman who spoke last for the opposition—I did not get his name—

Senator SMITH of South Carolina. It was Mr. Bainbridge Colby, of the United States Shipping Board.

Mr. CANNON. Mr. Colby stated his opinion. I think, however, that he failed to recognize the fact that, while it is true that we may

be, many of us, prohibitionists in spirit, yet that is an opinion which we have, which in our judgment is a sound opinion, and which is worthy of consideration by this committee.

He does not think prohibition is the wise thing. This great conference of the Methodist Episcopal Church South, and the great Baptist convention of the South—and they represent the views of the citizenship of the South—say that in their judgment it is; they petition Congress to pass this legislation; and they do it, not simply because prohibition is a fad, but because they believe that the facts justify the opinion which they have formed that prohibition is the proper policy for this Nation to pursue at this time.

There are many things that one wants to say which can not be said within the seven minutes allowed me.

Newport News, Va., is one of the greatest shipbuilding ports in this country. Newport News turns out as much shipping for the men they have as any other shipyard in this country.

When prohibition went into effect in Virginia, and when, last November, I asked for letters from the citizenship of the State as to the results of prohibition as they found them, the manager of that great shipbuilding plant, Mr. Ferguson, expressed himself as delighted with the effects of prohibition on the shipbuilding industry at Newport News. And there is no justification from the facts, as we have them, for the fear that Mr. Colby expressed that prohibition will injure shipbuilding operations. He admits that that is a conjecture on his part; that it is a mere estimate on his part.

And why not have the facts in the matter? Why not go to the shipyards where prohibition is in vogue and see the effects of it? He can find them there; he can get there the statistics that he desires.

With regard to the effect of liquor on the soldiers, I had an interview with Gen. Pershing, or, rather, two interviews, while I was in France; and he was very clear in his position on alcohol.

Senator NORRIS. Can you get that letter of Mr. Ferguson, of the Newport News Shipbuilding Co., and include it as a part of your testimony before the committee?

Mr. CANNON. It was printed; I can probably get another one from him, however.

Senator NORRIS. I wish you would include it as a part of your testimony. I think that has a direct bearing on Mr. Colby's testimony.

Mr. CANNON. I think the best thing to do would be to get the statistics from the Newport News shipyard.

I have also been informed that Secretary of the Navy Daniels made that a condition in the building of certain ships; and I was discussing the matter with one high in authority concerning the effect of liquor upon labor.

A gentleman, who spoke this morning, said something about the coal mines. I was talking with one of the largest coal operators in West Virginia and Kentucky yesterday, a man who has 12,000 acres of fine coal territory. He says that the good effects from prohibition upon the mining industry in that country have been incalculable. And he is a man who has hundreds, thousands, and millions of dollars invested down there.

Senator NORRIS. I wish you would get his statement also and file it with the committee.

MR. CANNON. I will do so, by wire. He is the president of two large coal companies, one in Kentucky and one in West Virginia.

In discussing this matter, somebody said that the miners would go away from the mines if they had prohibition there. But if you had Nation-wide prohibition, where would they go? They can not be shifted.

Now, I want to quote this statement of Gen. Pershing. Gen. Pershing said substantially this in my presence; and Lord Davenaugh, the food comptroller of England, sent me the interview the other day; he sent me papers in which the quotation from Gen Pershing is given in full.

Gen Pershing said:

Drastic action always follows alcoholic excess (talking about discipline), not as a punishment, but as a deterrent, as a part of the conservation of man power which must be kept in operation if we are to win the war. From a military point of view, we can not tolerate alcohol among our soldiers. War is merciless. The drinking man makes a bad soldier. No matter how much Germany may believe in screwing up the courage of her men to win, the Army will not stand alcohol, because it must conserve its man power.

That is a statement by the general in charge of our forces in France; and he said substantially that very thing to me in person. And this statement is published in one of the leading British papers, which was sent to me by the liquor comptroller, Lord Davenaugh. As a matter of fact, gentlemen, the question, it seems to me, for this committee to decide is whether the exigencies of the present situation are such that Congress is justified in passing a war-time prohibition measure, which, under ordinary conditions, they would not have the right to pass.

Why, I say that the whole idea of war is that it confers power to restrict men in their conduct, and war gives to the Government the power to commandeer men and property in every possible way. For instance, in England to-day there is a meat card and a butter card. There is in France the ticket by which you can get 300 grammes of bread a day and no more.

If the Government can step in and restrict the necessities of life and say, "You can have no more and no less of these things, and nobody can sell any more to you under pain of fine and imprisonment," is it not proper for the Government to step in and absolutely restrict to the vanishing point the nonessentials of life, when by so doing they increase in a large measure, according to Mr. Hoover's own statement, the necessities of life?

And there is the great point. Are we not justified in restricting the nonessentials of life in order to increase the essentials? Gentlemen, on any other questions but the liquor question there would not be any doubt; but it is only when we touch this that we are called fanatics and cranks and it is said that we do not think this thing as a matter of judgment, but as a fad.

When this great Nation, through its Congress by two-thirds majority, has said that this fad has reached such proportions that the people of the various States should have a right to say whether it shall become permanent law by being placed in the Constitution, and when the 13 States which have voted on it have all but one passed it and the other simply defeated it by a tie vote, it looks as if this was no longer a fad, but as if this was a question of governmental policy,



having in it a great principle which the people of this country have determined to embody in the Constitution.

Mr. Chairman, I have a great many other things I wanted to say; I did not expect to be cut off; but I suppose I have used up all my time.

Senator SMITH of South Carolina. Yes; and a little more.

Mr. CANNON. I just wanted to emphasize that point.

Mr. DINWIDDIE. Mr. Chairman, Dr. Cannon will have the privilege of extending his remarks, will he not?

Senator SMITH of South Carolina. Yes; any facts in addition that he desires to submit to the committee he may submit for the record, and the same privilege has been extended to the other side.

Mr. CANNON. I would like to put in something about conditions in England which I personally investigated, comparing these statements with what the gentleman said about the increase in the use of beer. I have the official figures here, and they show that the material used has been reduced from 1,558,000 tons to 512,000 tons and the amount of beer reduced from 100 per cent to 128 per cent.

Mr. DINWIDDIE. Before introducing Mr. Bryan, Mr. Chairman, so that we will not take up too much of the time of the committee, I want to ask that the same privilege that has been extended to the other sides to submit additional statements to be inserted in the record be extended to our side. We desire to file brief statements by Dr. Wilson, of the Methodist Episcopal Church; Dr. R. Harlan, of the Northern Baptist Church; Mr. P. J. Falvey, representing Jacksonville, Fla.; Mr. McSwearen, master of the Pennsylvania State Grange; and Mrs. Gazzam, of the War Prohibition Council of Philadelphia.

Mr. BRYAN. Would it not be well to have the permission made general?

Senator SMITH of South Carolina. Yes; I extended that privilege generally. Anyone on either side who wants to file with the committee statements for or against the proposed amendment is at liberty to do so.

Mr. DINWIDDIE. I thought that was extended only to the opponents of the amendment.

Senator SMITH of South Carolina. No; it is extended to you also.

Mr. DINWIDDIE. May I read now a telegram which we have received from Quincy, Mass., Mr. Chairman?

Senator SMITH of South Carolina. Yes; certainly.

Mr. DINWIDDIE. It is from Arthur J. Davis, our superintendent in Massachusetts. He says [reading]:

QUINCY, MASS., June 18, 1918.

ARTHUR J. DAVIS, *Driscoll Hotel, Washington, D. C.:*

Personally saw S. W. Wakeman, general manager Quincy and Squantum Works, Fore River Plant Bethlehem Shipbuilding Corporation. Asked him if he thought war prohibition will in any way hamper shipbuilding program. Have following written statement:

"Unable to see where war prohibition will in any way hamper shipbuilding program. Believe, on the other hand, it would be of distinct benefit to shipbuilding and country at large."

"S. W. WAKEMAN, *General Manager.*"

Forwarding to Davis original statement.

DELCEVARE KING.

MR. BRYAN. Mr. Chairman, will you tell me just how much time I have?

The CHAIRMAN. You have now 19 minutes left to present the views of the proponents of the amendment.

MR. BRYAN. Mr. Chairman and members of the committee, when I realize how short a time those have had who have spoken before me, I realize that you are very generous with me; and I know how difficult it is for anyone interested on either side to present anything like a complete argument in so short a time.

But those who have spoken after Miss Gordon have been relieved of some embarrassment by reason of the fact that she went over the ground so fully in the brief time she used that what we say who come after her is merely exhortation. I desire my speech to be regarded rather as a brief argument in support of what she so well presented as the representative of the 450,000 women who have now for more than a generation been seeking to emancipate this country from what they believe to be its greatest curse, the drink evil.

Let me say in the beginning that it is hardly possible that we shall be able to convert each other on this question. In order to act it is not necessary for the members of this committee to have unanimous consent; they will not obtain unanimous consent from those opposed to prohibition any more than they would secure unanimous approval from those in favor of prohibition if they decided to reject this amendment.

The difference of opinion on the liquor question is very deep-seated. I take it for granted that we all will make allowances for individual opinions on the subject of prohibition when we consider the weight of arguments advanced pro and con.

For instance, we have had here an appeal from a man connected with the brewery workers' union. It is needless to say that no argument that could be made on our side would ever convince a man engaged in the brewing business or representing those who gain their livelihood from it. No arguments that we could present would convince him that prohibition is a good thing now or that it would ever be a good thing, for he based his argument upon the theory that beer is a necessity.

But I think you have a right to consider this fact, viz. that those for whom he speaks do not represent all of the members of the American Federation of Labor. You have the right to take into consideration also the fact that when that federation met it confronted not only the possibility, but even the probability—I might say, the certainty—of national prohibition. If they had anything to say in favor of beer as a necessary form of food, if they had anything to say against the wiping out of both the manufacture and sale of beer, the time to speak was when that convention representing the federation was in session.

He said that they learned of the war prohibition movement about an hour and a half before they adjourned. The members of that convention knew that war prohibition had been discussed. They knew that a year ago a bill passed the House which, when it passed the House, included beer as well as whisky, and it passed by almost a unanimous vote.

And they knew that it was stricken out in the Senate only because the representatives of the beer industry were able to frighten the

country; they threatened to prolong debate and delay the passage of the food bill. To prevent delay, beer was dropped out, and because it was dropped out the brewing interests have had over a year now that they would not have had if that bill had passed the Senate as it passed the House.

Senator GROXNA. I think it is only fair to say that the bill was favorably reported from the Committee on Agriculture to the Senate.

Mr. BRYAN. Yes; that makes it stronger.

Senator THOMPSON. And I want to call your attention to Senate bill 2357, which I introduced myself on May 24, 1917, and which was also favorably reported to the Senate.

Mr. BRYAN. Yes. These people secured a lease of life for one year in that way; and they did it because the friends of prohibition were more patriotic than the enemies of prohibition; the friends of prohibition were willing to eliminate the beer clause in order to hasten the passage of the food bill.

The members of the American Federation of Labor knew that this question was before the country; and they might have acted on war prohibition, had they thought it wise to act. They certainly knew that national prohibition was before the country, that 12 States had already ratified the prohibition amendment, and that 5 of those States were wet when that amendment was submitted.

Facing the almost certain adoption of the national amendment, the laboring men, if they had any protest to make, ought to have made it in convention. These officials assume to speak for the labor organizations of this country, and you know that some of the labor organizations were not only not represented in the list which that speaker gave, but are in favor of prohibition.

Take, for instance, the railroad organizations, which represent. I suppose, the largest of the organized labor organizations. Those organizations are not fighting prohibition; some of them have declared for prohibition.

These facts ought to be taken into consideration when you consider the statement made by the representative of the brewery workers.

A word about Mr. Colby. Mr. Colby says he is afraid that this amendment, if adopted, will affect shipbuilding injuriously. As Bishop Cannon very well said, it is better to rely on history than prediction. It is better to take facts than guesses as to the future—an ounce of experience is worth a pound of prophecy. The facts are that where we have prohibition the efficiency of labor has not been decreased, but on the contrary has been increased. The facts are that shipbuilding is carried on more rapidly without intoxicating liquor than with intoxicating liquor.

For instance, at Mare Island; it was made dry, and they got out their ship there on record time. Does anybody say that they would have done better at Mare Island had those people been allowed to have liquor?

Bishop Cannon also gives the experience down in Virginia, and here we have this telegram from Massachusetts which has been read to the committee.

Secretary Daniels declares that the dry shipyards at Charleston, Portsmouth, and Bremerton show increased efficiency.



If you will take the experience of Great Britain, you will find that they had this same matter to deal with, and that they met the same opposition that we have had. Those advocating prohibition over there have been able to show what the actual effect of intoxicating liquor is. The Premier, Lloyd George, standing before Parliament, gave the statistics to show that the effect of intoxicating liquor upon men making ammunition caused a loss of 150,000 men's work a day, at the time when Great Britain's life was trembling in the balance. Lloyd George is also responsible for the statement that Great Britain is fighting Germany, Austria, and drink; and then he added, that so far as he can see, the greatest of these enemies is drink. If we want to invoke the experience in Europe, that is the experience over there.

But, while Mr. Colby's argument would seem to be completely answered by experience in Europe, as well as in this country, the advocates of war prohibition can easily meet his objection. If Mr. Colby is convinced that the efficiency of the men working in the shipyards will be increased by the use of intoxicants why does he not ask for an exception in their favor? It is not necessary to continue saloons everywhere in order to supply liquor to the men in the shipyards under the control of his board. If a mustard plaster is needed it is applied—not to the whole body but only to the diseased part; why not follow the same course here. If the committee is impressed by his argument, the war prohibition amendment can include an exception in favor of employees of war-work boards whenever such boards present to the President a written request for the sale of intoxicants to their employees in such quantities and under such conditions as the board shall prescribe, provided the President approves their request.

This is not a sectional question. Some people speak of it as if it might be sectional and say that we should consider the interests of the wine producers of California, for instance, or the appetites of beer drinkers.

But this is a world-wide question; it is as old as the human race; it is as large as the earth. No one can successfully contend that alcohol is necessary for man. God never made a normal human being to whom alcohol was a necessity; if men by the cultivation of an unnecessary habit have brought themselves to believe that alcohol is necessary for them, they can not hope to bring this country and the world to conform to a perverted nature. The thing for them to do is to correct the habit and change their opinion—and prohibition has corrected habits and has changed opinions.

This gentleman, representing the brewery workers, speaks as if you can not do these things by law. If he will go into the States where they have tried prohibition, he will find that they have converted communities as well as individuals. Individuals who thought they could not get along without liquor have found, when they could not get it, that they were better off without it; they are glad that it has been taken away from them. They have rejoiced that they have been redeemed, so to speak, that they have been saved from the slavery of drink.

And communities like Seattle, Wash., that voted against prohibition when it came in, have been prompt to vote for even more

stringent laws after they have had an opportunity to see what the effect is.

Take Denver, Colo., which voted against prohibition in 1914, when the State went dry; after they had had prohibition there for a little less than a year, the liquor interests tried to bring beer back, but the people of Denver rejected the beer amendment and by 14,000 majority voted against allowing beer to come back into the State of Colorado. Experience has shown that beer is not a necessity. Where they can have prohibition enforced, prohibition enforced vindicates itself. If we can have prohibition enforced in the dry States, with other States around them from which the liquor can be brought in by bootleggers, the benefit of prohibition will be much greater when we have it enforced as a national policy and when there are no States, still wet, to furnish a place from which the outlaws can act.

Senator THOMPSON. I wish to call your attention to an important point in that connection. In 1914, you will remember, we had a man in the State of Kansas who ran for Governor, standing on a plank for the resubmission of the liquor question. And in my State, after 35 years of experience, that man received less than 9 per cent of the votes of the State on that question.

Mr. BRYAN. Yes. The facts on this subject are not to be found in the paid advertisements of the liquor interests. They are to be found in the expressions of the people themselves; and the result in Kansas is a case in point. After they had tried prohibition, and one man ran on a resubmission platform, he received less than 9 per cent of the vote of the State.

Let me add this on the labor proposition: This gentleman does not represent all of the laborers. Let us remember that we are confronting a situation here that is not an ordinary one. We are asking the young man to leave his home and give his life, if necessary; and we have said that it is so necessary that that man shall be a 100 per cent man that we will not permit anyone to sell him intoxicating liquor. And yet, while that is the law, and while that law is backed by an overwhelming sentiment in the country, our law officers are kept busy punishing the representatives of the liquor traffic who are willing to make money by violating that law. This gentleman, representing the brewery interest, ought to know that the only American soldier who has died in disgrace abroad was a man who, under the influence of liquor, committed a crime and was hung. His execution was approved by the authorities in Washington; the Government said, "We can not afford to let a crime like that receive less punishment than death;" and yet that boy, who went out to die a hero, a patriot, died in disgrace on the gallows, while the people who furnished him the liquor are allowed to continue in business. It is time to go higher up; instead of punishing only the victims of liquor, we punish those who furnish them liquor, those who make a profession of producing crime and then oppose prohibition with the money that they make from selling the liquor.

Let me appeal to the laborer. If the soldier boy is to give his life for his country, and in addition, is to be denied the beer which the brewers say is a necessity, why can not the laborer, whose life is not as hard as that of a soldier, why can he not make the sacrifice

if that sacrifice is necessary, as the testimony shows that it is? The laborers have the comforts of home and better wages than the soldiers receive, and they avoid the dangers of the battle field; it is a reflection on their patriotism to say that they will demand beer at the expense of the food supply of the Nation.

The gentleman spoke of hurting the mining industry in West Virginia. That is not true, and the best evidence that it is not true is to be found in the expressions of the mine owners themselves. The representatives of the mine operators of the Pittsburgh district met a few months ago and declared that if dry zones were made around their mines they could produce 2,000 tons of coal more per day than they were producing; take liquor away from those who were mining coal and they could increase the production 600,000 tons in one year.

And remember, Mr. Chairman, that what the liquor business asks is this: That it shall be permitted to take the food that the people need and the coal that the people need and use the coal to convert the food into a liquor that reduces the capacity of the men to mine coal and to produce food. They ask that they be permitted to burn the candle at both ends; that they be permitted to make the people do without bread in order that they may make liquor out of the breadstuffs; that they be allowed to close the schools in order that they may have coal for the breweries; and then they use the product that they make to lessen the quantity of bread produced and the quantity of coal produced.

Last winter the brewers kept running when there was not coal enough to supply the industries of this country. In the city of Bloomington, Ill., I was told that the brewery there kept running while the schools were closed for lack of fuel. Shame on a city that will allow a brewery to run when there is not enough fuel for the schools.

The fact that that brewery insulted the intelligence and the patriotism of the people of that city probably had something to do with the fact that, a few weeks ago, Bloomington, by 2,100 majority, closed her 25 saloons and added her name to the list of dry cities in Illinois.

Another matter, when these people tell you that they want the saloon to run they must mean that they want it to run as it has been running, and as it will continue to run as long as it is permitted to curse the earth.

I was in Rochester, N. Y., recently and a great audience, by a rising vote, sent a petition to Washington asking that a dry zone be established around the aviation camp near that city. In the petition they stated that four saloons had been built at the gate of the aviation camp. If there is any time when a man needs a clear brain and a steady nerve it is when he rises in an aeroplane.

Senator Overman a few weeks ago exhibited in the Senate a brace taken from an aeroplane and showed that it had been sawed in two, joined together with lead and painted over, and then put back. The purpose was to so weaken the machine that when that machine went into the air and, in turning, and brought a strain on that brace, the brace would break, and an American boy go down to his death. That was the work of a German spy, and if they find that German spy they will shoot him to death and he ought to be shot to death.



But is the man who builds a saloon at the gate of an aviation camp and tries to put weakness in the aviator where there ought to be strength any less an enemy of our country than the German spy who tampers with the aeroplane? Surely the man is as important as the machine.

The people who defend this business must understand the kind of business they defend. It is the kind of business that has been the center of crime and lawlessness everywhere.

The gentleman speaks of 50,000 home breweries in Oregon and Washington. Did those men who reported them to the convention report them to the authorities? If there is any violation of law out there, why do they not report it to the authorities? And why is it that he is so much opposed to "home brewing," unless it is that it takes away the profit of the big brewer who had heretofore supplied them? Gentlemen of the committee, this is the business, and you can not cleanse it. You can not wash it; the only place to clean the saloon is in the morgue, when it lies in state with its victims.

The CHAIRMAN. Col. Bryan, your 19 minutes have expired.

Mr. BRYAN. I am very much obliged to you, Mr. Chairman, for being so patient.

May I add just one word? I recognize that we are dealing with an evil, and that that evil is nearing its end. Whenever we have, by constitution or by law, fixed a time for prohibition, it has generally been fixed in advance; we recognize that there is an argument to be made in favor of giving a reasonable time. Therefore I would suggest that when you stop manufacture and sale, you give a reasonable time—it might be on a sliding scale; they might manufacture not more than 75 per cent for a certain time; then not more than 50 per cent; then not more than 25 per cent; and then nothing; and after that a date when complete prohibition will go into effect. If you think it is necessary to look after the crop of grapes that is already grown, that can be provided in the law. The present rules prevent increased production of beer.

I would prefer the bill to be a separate bill. But everybody knows that a separate bill is very difficult to get through in a time of rush; and it does not come with good grace from those who do not want prohibition at any time to find fault with the method of getting it. My understanding is that the District of Columbia went dry upon an amendment to a bill; we prohibited the manufacture of whisky by an amendment to a bill. The "bone-dry" amendment was added to the Post Office appropriation bill, as was the amendment against liquor advertisement. This not an unusual method; and, Mr. Chairman and gentlemen, I repeat, those who are opposed to prohibition under any circumstances are not in position to say that those who favor it shall not secure it by the best method possible.

My suggestion is that the people who want war prohibition should get together and agree upon the details of the bill.

Mr. Chairman and gentlemen of the Committee, national prohibition by constitutional amendment is not far off; but we can not wait even that long to protect our country from the ravages of the saloon if we can get war prohibition sooner. In the interest of the food and fuel consumed we should have prohibition immediately; and in the interest of the man power the saloons destroy we should

have prohibition. We ought to have it for the men at the front, and we ought to have it for the men at home. I put the winning of the war above all other things. I would not say one word in favor of prohibition if it would operate against our country in any way. But I know of no single thing that would do more to help win this war and bring it to a victorious end than war prohibition.

The CHAIRMAN. These hearings are now ended. The committee will stand adjourned until to-morrow morning at 11 o'clock, when it will meet in this same room.

(Thereupon, at 12.05 p. m., the committee adjourned, to meet at 11 o'clock a. m., Tuesday, June 20, 1918.)

(The following material was subsequently submitted by the proponents of the amendment, and is here printed in full as follows:)

**STATEMENT OF MRS. JOSEPH M. GAZZAM, OF PHILADELPHIA, PA., CHAIRMAN OF EXECUTIVE COMMITTEE OF WAR-TIME PROHIBITION ASSOCIATION OF PENNSYLVANIA.**

The gentleman of the German accent (Mr. Joseph Proebstle) who has just finished speaking, it would seem would have us follow the example of England. We feel that America can afford to set an example, not follow one.

Yesterday I heard it said that all the countries abroad were giving their soldiers and sailors liquor, and, if by this he means England, it has been proven that the percentage of liquor has been reduced and also much of the beer has been cut down. If England followed the example of King George and Lloyd George there would be no such thing as liquor in England.

Col. St. George Loftus Steele, head of the English recruiting in Philadelphia said, at our big war-time prohibition meeting in Philadelphia: "My experience and that of Lord Kitchener in India and Africa is that the soldier who is a total abstainer is the best fighter."

To-day we are using ships to carry barley to England and England is using ships to send that same barley back to us in the shape of beer. These ships we need to transport troops, sober troops.

I also heard someone say something about France. I know this, that all over the post office in France is a government notice posted warning young men and women that liquor is the greatest menace of the day, far greater than the "German peril." I have in my Philadelphia office of the War-Time Prohibition Association a poster sent direct from Paris. It pictures a man seated at a table hugging a bottle of liquor. A woman stands beside him with two boys clinging to her. The woman extends one hand for the bottle, while the other covers her weeping eyes. Inscribed above in French is "When will they take liquor away from France?"

This poster speaks for itself. France is a wine-growing country, yet this antiliquor sentiment is strong.

Let California use her grapes for food (raisins). I have been in Italy and tasted delicious dried grapes cured in oil and canned in the sun. Another year let California raise more vegetables for which she is noted; or perhaps if brewers would not monopolize carriers, we might be able to buy these vegetables that are now so scarce and prohibitive in price.

The gentleman spoke of the great taxes the distillers are paying. We are paying these taxes. We prefer to pay them direct.

This gentleman also spoke of the great disaster that would befall these distillers should this amendment go through. Do they fear the great disasters that will befall our women and children, our soldiers and sailors, if the amendment does not go through?

I hear that after Denver went dry there were 400 more family washes a month put in city laundries. Think of the poor aching backs of the suffering ones that were saved by that simple process. Backs which were all worn out from carrying sick babies all night.

They try to put the odium of the liquor traffic on the working people. Let no one think these working women want to hold onto liquor. I think it is an insult to our good working people to think they want liquor. Ask the wives of the workingmen, and I think from my house-to-house canvass for suffrage you will get your answer there—a sturdy one and a strong one.

Congress can cut down the height of our shoes; it can cut out widths of our skirts; it can come into our very homes and take our boys away who furnish our bread, for the defense of the Nation, but, oh, how tenderly, how reverently, does Congress lay hands on the industry of the liquor traffic. Will not you good men stand by us women in our defenses of our homes and our sons and daughters? I speak as a mother with a son freshly from graduation at Harvard and now a first lieutenant in the service of his country. It is for the many boys like him and the mothers like myself that I plead. These boys must be protected. These mothers must not have added to their great sorrow of losing their sons grief at seeing their boys exposed to temptations which injure not only their health and morals but their fighting efficiency as well. We can show you the great hold temperance has taken upon conservative Philadelphia, and the emergencies aids, who have done 90 per cent of the war work of the city, and whose uniform I wear, exacts a pledge from every one who joins not to drink in public while wearing the uniform. In conservative Pennsylvania 100 who never gave prohibition a thought to-day say they are willing to give up all intoxicants and let the entire country go dry. These same people will be horribly shocked if this amendment does not go through. There will be protests go out such as was never heard before.

Speaking of the great loss to our banking institutions, which one of the gentlemen has been trying to make clear to us, I was talking to one of our great bankers in Philadelphia the other day, Clarence Harper, of the firm of Harper & Turner. Mr. Harper said he had just returned from a trip through the South with seven bankers from seven dry States—North Carolina, South Carolina, Virginia, Tennessee, West Virginia, and Arkansas. Mr. Harper said these bankers were, figuratively speaking, throwing their hats up in the air, jubilant over results of prohibition in their States. There were empty jails, idle policemen, and empty workhouses, and banks full to overflowing.

Mr. Harper wants some of these results and benefits in Pennsylvania. He is going to get them. Other bankers who want these results and benefits in Pennsylvania are Effingham B. Morris, president Girard Trust Co.; William R. Nicholson; Edward Bonsall, of



the Land Title Co.; Richard L. Auston, Federal Reserve Bank; and Jarvis B. Reeves, of the Girard National Bank. All these best men of Philadelphia are backing up our war-time prohibition. These men all want the amendment to go through, and they are all vice presidents of our society, proud to lend their names to the cause. These gentlemen represent the strongest bank interests in Pennsylvania. We are also backed by Bishop Rhineland, of the Episcopal Church; Francis Fisher Kane, United States attorney; Lieut. Col. Hatch, who is looking out for the welfare of soldiers and sailors; the convention of the medical society of our greatest doctors, scientists, and philosophers as well as manufacturers, such as Louis J. Kolb and George H. Burnham, of the Baldwin Locomotive Works.

Of course some one is going to suffer and to lose if this amendment goes through. But, gentlemen, let it not be our women and children or our soldiers and sailors, defenders of our country. They have suffered enough; it is some one else's turn now.

Gentlemen, I leave our cause in your hands.

#### **STATEMENT OF ROLVIX HARLAN, OF PHILADELPHIA, REPRESENTING THE SOCIAL SERVICE COMMUNION OF THE NORTHERN BAPTIST CONVENTION.**

The Northern Baptist Convention in session at Atlantic City, May 13-21, 1918, representing one and one-half millions of Baptists in the Northern Baptist Convention adopted resolutions favoring the prohibition of the use of foodstuffs and grain in the manufacture of alcoholic beverages for the period of the war as a conservation measure.

#### **STATEMENT OF JOHN A. McSPARRAN, FURNISS, LANCASTER COUNTY, PA., FARMER, MASTER STATE GRANGE.**

Mr. Chairman and gentlemen of the committee; first I wish to cite the action of the State Grange of Pennsylvania, page 49, journal of proceedings herewith submitted, and page 166, journal of proceedings of the National Grange, also herewith submitted.

The farmers of the Nation are dry. Had the solution of the question been left to the country vote the Nation would have been dry many years ago.

We insist on statutory prohibition as a war measure for the following reasons: 1. Because beer and wine are taking great quantities of grain and sugar and turning them into a drink that reduces efficiency. 2. The brewing business ties up buildings, machinery, coal, grain, men, and transportation that is vitally needed in essential industry. 3. We farmers are working very long days and using men, women, and children in the patriotic effort to grow a crop this year large enough to prevent want, and if the Government is honest in the statement that "food will win the war" we expect them to pass laws that will prevent the food we do raise being turned into a narcotic poison as is all potable alcohol. 4. The contention that brewing does not unfit grain for feeding is false in view of the fact that it will be impossible to feed the animals this year a balanced ration, and even carbohydrates will not be too abundant.

5. As citizens, we farmers are ashamed of the position we are placed in in the treatment of our soldier boys with respect to booze. The soldier boy has given up his social life as well as his business to serve his country and the taking of the social glass from the soldier is the frank admission on the part of the Government that its effects are deleterious, but it must be remembered that back of every soldier boy are two other boys. One preparing food and the other munitions. They do not have to give up their social life or their business but their failure to meet the severest test of efficiency may make the soldier fail, and hence it is a most cowardly proposition to take booze from the soldier and allow the sheltered civilian to cause his ghastly murder on the field of battle because of lack of supplies.

Many other arguments could be cited but these are the ones most important in the few minutes allotted to me.

**STATEMENT OF ARTHUR J. DAVIS, OF BOSTON, MASS., LEGISLATIVE COUNSEL OF THE WAR PROHIBITION COMMITTEE OF MASSACHUSETTS, STATE SUPERINTENDENT OF THE MASSACHUSETTS ANTISALOON LEAGUE.**

Mr. Chairman and gentlemen of the committee, I have the honor to represent a very large and influential constituency in the State of Massachusetts, composed both of those who favor national constitutional prohibition and others who believe only in prohibition during war time. It is unquestionably true that many more of our citizens favor prohibition as a war-conservation measure than as a permanent part of our organic law.

The fact that the Massachusetts Legislature recently ratified the Federal amendment by a majority of 54 votes in the house and by better than a two-thirds vote (27 to 12) in the senate clearly indicates that public sentiment in our State is strongly for war-time prohibition.

The manufacturers of the State, through the Associated Industries of Massachusetts, lined up strongly for ratification—the recorded vote of its membership being 10 to 1 in favor of ratification. A larger percentage would favor war-time prohibition.

The farmers of Massachusetts, through the State Grange, have appealed to the Congress to enact war prohibition as a conservation measure.

The loyal women of the State have responded gladly to the Food Administration regulations and will continue to do so. They feel very strongly, however, that none of the foodstuffs they are helping conserve should, with the consent of the Congress, be worse than wasted in the manufacture of beer and other intoxicants.

The physicians of Massachusetts are nearly unanimous in the opinion that alcoholic drinks are detrimental to the health of those who use them as a beverage and are seldom necessary in the treatment of disease. This opinion was clearly and emphatically stated at the hearings on ratification by one of our most distinguished physicians, Dr. James J. Putnam, of Boston, who presented a petition signed by hundreds of the leading physicians of Massachusetts.

It is unnecessary to state that the great church constituency of Massachusetts strongly urges war-time prohibition. The Congress

could take no action at the present time which would be more acceptable to the churches of Massachusetts than to enact some law effectively prohibiting the manufacture, transportation, and sale of beverage liquors.

We do not believe that our workingmen place beer above country. They are now willingly giving up their sons to their country's service. They surely will as willingly give up their beer for the war period.

Massachusetts, therefore, appeals to the Congress to enact war-time prohibition in order to conserve—

1. The man power of the Nation.
2. Transportation so urgently needed just now.
3. Fuel, a shortage of which last winter made necessary the closing of many churches, schools, and business offices and seriously hampered our manufacturers while thousands of tons of coal were being used by the brewers and allied liquor interests.

**STATEMENT OF P. J. FALVEY, MANAGER NEW ST. JAMES HOTEL,  
JACKSONVILLE, FLA.**

I hereby submit to the honorable Senate Committee on Agriculture and Forestry for their consideration, in favor of war prohibition, the following statistics which are based on a thorough knowledge of the distilling business after 16 years' experience as a practical distiller.

Levi Cooke, counsel for the National Distillers and Wholesale Liquor Dealers' Association, in opposition to the Jones amendment, said:

The distillers are under an annual bond of \$100,000 each and in addition thereto are subject to a monthly warehousing bond for an amount double the amount of the tax on the estimated gallonage in bonded warehouses, and in case Congress adopts the Jones amendment it will put a burden on the various bonding companies for an amount sufficient, no doubt, to drive them into bankruptcy, and will also jeopardize a number of banks which are holding distilling securities.

In contradiction of Mr. Cooke's argument, would say that the distillers' annual bond is not effective while the distillers are under suspension, as all the beverage distillers are at this time and have been since August, 1917.

The rate of premium on warehousing bonds is very low and the amount of the bond is decreased from month to month as withdrawals increase. The distilleries being under suspension necessarily will not have any further entries into bond, and so far as embarrassing any bonding companies is concerned, in case the Jones amendment is adopted by Congress, by the terms of this amendment the responsibility of the bonding company will cease.

Mr. Cooke stated further, in reference to the profits made by distillers on their bonded stocks, that the profits were not commensurate with the advance in Government tax. The Government tax advanced \$2.10 per proof gallon, effective October 3, 1917. Anyone familiar with the liquor business would know that an advance of \$2.10 would certainly be exorbitant for liquor of any kind.

In the late reports from the Kentucky distillers it is claimed the price of bonded whiskies has advanced from 60 cents in October, 1917, to \$3.05 at the present time, or an advance of \$2.45 per gallon, which



is more than 400 per cent advance. In October, 1917, with the following prices effective for grain: Corn, \$1.9396; barley malt, \$1.5501; oat malt, \$0.7990. The Whisky Trust produced finished goods for \$0.454 per proof gallon out of cooperage. Allowing 4 cents per proof gallon for cooperage—which is very high—and 5 cents for freight to New York from manufacturing points, would bring the cost of finished goods f. o. b. New York \$0.544 per proof gallon. Of course, this price is less the tax, but would be an accurate cost price for export goods. Any dealer can readily see what an enormous profit the Whisky Trust is realizing on its bonded stocks, not only on whisky but on spirits and alcohol as well.

Prior to the agitation for the pure-food bill in Congress, a profit of 5 cents per proof gallon for spirits and alcohol and 10 cents per proof gallon for beverage whisky, not considering the by-product as a credit in figuring the cost of production, was considered more than an average profit, and the distillers on this basis were making millions each year and paying stockholders oftentimes 100 per cent per annum on their original investment.

Mr. Cooke states further that the distillers are required to pay the Government the tax on the whisky—which at present is \$3.20 per proof gallon—before the whisky is sold. This is surely a misstatement, as most of the whiskies are sold in bond on warehouse certificates and the distiller receives what is known to the trade as the "short price." The tax on the whisky is paid by the purchaser on withdrawal. In other words, whisky remaining four years in bond in many instances is sold on the date of entry, and the distiller has the use of the purchaser's money for a term of four years before the goods are delivered to the purchaser. The purchaser has to pay all carrying charges, such as storage and insurance, the storage at the rate of 5 cents per barrel per month, which is practically a net profit to the distiller.

Since the Government has prohibited the manufacture of whisky for beverage purposes, all whiskies produced prior to this time are in the hands of practically one company, known as the Whisky Trust, and, taking advantage of the situation, they have advanced their prices for all kinds of goods beyond all precedents and are doing business on a strictly cash basis. For instance, if a jobber or retailer sends warehouse certificates to a distiller for the withdrawal of one or many barrels of whisky or spirits or alcohol, the distiller issues a certified check to the collector of internal revenue in the district from which the whisky is withdrawn and at the same operation makes a sight draft with bill of lading attached on the purchaser or legal owner of the goods for the amount of the tax. In other words, the Whisky Trust are not paying any internal revenue, they are simply collectors of internal revenue from the various rectifiers, wholesalers, and retailers who are obliged to purchase their goods from them.

It has not been customary for national or private banks to lend money on warehouse certificates for bonded whiskies for a number of years, and I venture to say that if any bankers are holding distillers' securities as collateral, they are doing so at their own hazards.

During the first session of the Sixty-fifth Congress, when it was apparent that the internal revenue on spirituous and vinous liquors

would not only be increased but their manufacture would be prohibited, the distillers of the country urged their jobbers and rectifiers to buy enormous quantities of whisky with the understanding that all goods tax paid prior to the date the Federal tax of \$2.10 per gallon would be effective, would not be subject to this additional tax. On account of this misrepresentation, not only the jobbers but the retailers purchased whiskies to the limit of their financial resources, but, to their disappointment, when the law was effective it applied only to spirituous liquors which had already been tax paid at the rate of \$1.10 per proof gallon, and the distillers' stocks remained free of this additional revenue tax until withdrawn from bond by the purchaser, who, in turn, was obliged to pay the additional revenue. If it is justice to tax distilled liquors which already had been subjected to a tax of \$1.10 per gallon why was it not just and fair to tax the distillers' enormous bonded stocks on which he is now realizing exorbitant profits from the consumer?

The legal advisers of the Whisky Trust are now appearing before the Senate committee as opponents of the Jones amendment, as it will render untold financial losses to the square-dealing distillers, and even intimate some provision should be made in the way of reimbursement for property lost. In State prohibition legislation has there ever been a case where a retailer, who is really the goat for this illegal combination operating in restraint of trade, having been reimbursed for his inventoried stocks of liquors at the time of the closing out of his business, which would be a greater loss approximately to him than the loss of the entire bonded stocks of the Whisky Trust at the present time?

Prior to the time of America declaring war on Germany the distillers of this country (all of whom were controlled by the Whisky Trust), through J. Pierpont Morgan, sold millions of gallons of spirits and alcohol to the allies as well as to Germany. A great quantity of the spirits went to France, with which to fortify their wines. The alcohol was used in munitions plants.

The Whisky Trust, by reason of J. Pierpont Morgan having held some of their securities, were given these orders at practically their own price, realizing an enormous profit on these export goods; and, by reason of the greater amount of their product being exported, it created a healthy domestic market and necessarily a profitable one.

As none of these shipments to the warring nations were subjected to the internal-revenue tax, it cost the United States Government an enormous sum for the pay roll of United States gaugers and storekeepers, as well as deputy revenue collectors, for the entry and withdrawal of this immense quantity of goods. This pay roll was a net loss to the Government; therefore, if the distillers are seeking recompense for any bonded stocks they may have, what provision will they make for reimbursing the Government for this enormous outlay of money for taking care of their export shipments to warring nations on which they realized that enormous profit?

During the time granted by Congress for hearings by the distillers on the food conservation bill every distillery in the United States was operating at a maximum capacity and storing their product, on which they are realizing the present exorbitant profit. During the time required for these hearings and the passage and approval of the

bill, which extended over several months, there were millions of bushels of grain consumed by these distillers for the manufacture of spirituous liquors, at a time when the Government deemed it imperative to pass restrictive legislation to conserve the cereal foods. One distillery in Peoria, namely, the Great Western, was mashing 18,000 bushels of grain per day and producing from the same about 90,000 gallons of finished goods per day, on which they were realizing a net profit of at least 60 cents per gallon. The physical valuation of the Great Western Distillery property and equipment is not to exceed \$1,000,000, so you can readily see that this one distillery received in dividends during the time above mentioned many times the actual physical valuation of their property; and if they are legislated out of business now they will have suffered no financial loss, but, on the other hand, the stockholders can go into retirement.

**STATEMENT OF DR. CLARENCE TRUE WILSON, GENERAL SECRETARY OF THE BOARD OF TEMPERANCE, PROHIBITION, AND PUBLIC MORALS, OF THE METHODIST EPISCOPAL CHURCH, FOR THE UNITED STATES.**

Mr. Chairman, gentlemen of the committee. I represent the Methodist Episcopal Church, as its opinion is expressed by general conference action demanding immediate prohibition, and the resolution passed by the several conferences of the Methodist Church requesting war prohibition, to save the food, the transportation, the fuel, the man power, the morals, the morale of the people, and the faith of our Christian civilization, which is now in the midst of a great war of self-defense, demanding all kinds of sacrifices of our people, giving us heatless days, meatless days, wheatless days, and sweetless days, and yet the people can not but notice there are no beerless days or whiskyless days; that the liquor power is making more money than ever before; that the multiplying of the price on whisky and the concentration of food for the making of more beer has caused the liquor power no inconvenience whatever, but has made millionaires by the dozen. The only people in the United States who seem to have made no sacrifice for the winning of the war are the liquor people. The great body of our people are willing to go hungry, to live on war bread, and stint themselves on everything else that the soldiers may have more food, that the men who are doing useful work may have more food, but they are not willing to fast and to go without the things they need on their tables in order that loafers may eat as much as we do without stint and then turn around and drink up food that ought to have been saved for the needy Belgians and the Armenians and the starving peoples of the world. It is strange to hear the liquor men say that alcohol does not require much cereals, and then brag that they used this last year 52,000,000 bushels of barley; that it required 3,000,000 acres of land to grow the cereals, and 166,600 cars to haul the cereals and the intoxicating liquors when made.

They do not, however, put in the gross tonnage of coal that was burned in running breweries while churches were required to close and schools took enforced vacations. Your problem is the people's problem; it is, "What will win this war?" What will give America the victory she is fighting for? McAdoo says "Money will



win"; Hoover says "Food will win"; Garfield says "Coal will win"; Schwab says "Labor will win"; Daniels says "Warships will win"; Woodrow Wilson says "The farmers will win"; Hurley says "The transports will win"; the aviators say "Airplanes will win," but the liquor traffic is an organized assault on every one of these. It wastes two billions of our money when the Government is calling for more patriotic contributions; it turns our food into poison; it burns our coal while useful industries stint themselves; it unfits labor; it slows the preparation of our warships; it has always been the greatest embarrassment of the farmer; that is why they always vote solidly for prohibition; it has slowed the building of the transports, and the first ships that were launched were launched in the prohibition cities of Seattle and Portland, and the aviators say that any consumption of liquors makes them unfit for their delicate, responsible work.

I want to call your attention to a special investigation made by the research secretary of the Methodist Episcopal Church engaged in this work. He corresponded with the heads of all the coal mines practically in the United States, especially in a full correspondence with the men responsible for the mining of coal in Pennsylvania. And he has compiled practically unanimous testimony that the increased wages gave the drinking men their opportunity to drink for four days on the wages they made in two and take a day to sober up, and that it is the time lost and the energy lost by the drinkers that was entirely responsible for the shortage of fuel all last winter, and a worse shortage is facing us for the winter to come, caused by the same thing.

We are now again at a place where the roads fork. We have been making for a year and a half a plea to the country for prohibition of the liquor traffic as an equipment for winning the war. We have talked of food conservation; we have told how brewers are turning our grain into poison; how saloons are taking out of the pockets of the people two billions and a quarter a year; how transportation facilities badly needed for carrying commodities to the Army and men to the front are diverted into carrying commodities which are useless and which can do no one any good.

We have talked of fuel shortage and food shortage, we have talked of money waste and necessary economies, we have set our women to sweeping up the crumbs and our children to licking the plates in order to lick the Kaiser, and we have had meatless days, wheatless days, sweetless days, heatless days, and put our whole plea on the secular basis of saving. Then when a brewery friend can get the ear of the President and tell him that he represents the sentiment of organized labor in the United States and that he has learned that war prohibition on beer would not save anything, because the brewery would go to making soft drinks, which would require the same materials and labor, time and money, the President thinks all our pleas have been successfully answered, and so our argument is put aside.

Incidentally let me say that Samuel Gompers holds a position where, in labor matters, he represents labor, but he has never represented the conscience of the laboring man on the liquor problems, does not to-day, and is no more authorized to speak for them on that subject than I am. When he speaks in the name of organized labor

he always speaks under the direction of, in the interest of, and as a regular for the organized brewers of the United States of America.

No; war prohibition as the next step in the winning of the war does not depend on any secular argument whatever. It arises personally from a century of teachings, from the moral convictions of a hundred million people, from the growing revulsion toward the traffic, growing out of the fact that alcohol is not a food but a poison; that its manufacture is not a business but a crime; that it belongs in the class with the gambling hell and the brothel which civilization has outgrown and must destroy; and the plea for national prohibition at this time, while we are at war with Germany, and when Germany has gone dry, taking over every one of her big breweries to make ammunition or food or clothing of some commodity for the army or for the winning of the war, is not a mere opportunist's plan to add a little efficiency to our Army, but is a plea on behalf of the morals of the Nation and the morale of the Army, that is absolutely essential to the winning of the war and to deserving to win the war.

The essential question is not, if we should stop the breweries now making beer, would they not make soft drinks instead? The question is, If it is a part of God's purpose in the great world war to wipe the nations of the earth clean from their several drug poisons, which have debauched mankind too long and been tolerated simply for revenue; if what the German Emperor himself said, addressing his officers in army and navy five years ago, that "The next war will be settled by nerve; that nerves are continually undermined by alcohol; and that therefore the nation that uses the least alcohol will be the conquering nation in the next war, and the nation that uses the most alcohol will be the one that goes down first." If the fact that Belgium was the largest drinker of intoxicating liquor in the whole world, and that that much of that prophecy has come true, what will become of the land that, in view of all the light and all the knowledge and the moral convictions of the people, and sensitiveness of the national conscience on the subject, persist through its rulers in tolerating the most gigantic, iniquitous, impudent, pro-German trade that could be tolerated in the world, and with a great outcry against the wasting of people's substance and the ruin of their souls during war times, our President should determine, or our Congress should so neglect the subject, and we should struggle on through this battle without giving our boys the utmost help we can by stopping this waste at home and this devastation abroad.

What if, as in the case with Lincoln, God would withhold victory from our troops as He did those of the Federal troops while we had any complicity with slavery until Lincoln promised the Almighty, if He would drive the Confederate Army out of Pennsylvania, he would free his slaves, and after that was done a series of victories led up to the culmination that kept Old Glory's stainless stars flying in the heavens.

And what if the divine purpose be to purify the world by this war our Government should be the last to prohibit this national evil and should hold onto the iniquitous liquor traffic until we are taught by the loss of millions of lives that it does not pay to trifle with the God of the universe, or with the moralities that He is seeking to teach, or with the religious principles that have blessed society, and which are peremptory in their demands.

I tremble for my country when I remember that God is just, that He has spoken in His word, and speaks by His providence, by the movements of these States as well as among the nations of the earth, against the liquor traffic; and when I see our ruling powers standing to-day as the defender of that colossal assault on humanity known as the organized brewers, pro-German in their sentiment and organization and conducting a destructive trade, which becomes a practical ally of the Kaiser in his assault on Christian civilization. This partnership was clearly brought out in the investigation of the German-American Alliance.

I, perhaps, travel this continent as many times across and as many miles per year as any man in it. I talk to and with as many people and have as good opportunity to feel the popular and moral pulse. There are two conflicting emotions, both very tense to-day in America. One is the patriotic desire to win and to contribute toward winning this war. The other is a dreadful apprehension that we will not do our utmost in time to win or deserve to win a quick victory and so lose the lives of millions of our boys. This second apprehension has grown through the moral convictions of the people.

There are millions of Americans who do not believe that this administration can win this war or deserve to win it with the beer industry hanging like a millstone about its neck, turning our "daily bread" into human poison, tying up labor into useless activity, slowing our workmen into heavy beer brutes, wasting \$2,000,000,000 annually, organizing temptations for our soldiers and spoiling the morale of our people in war times. President Wilson can stop this diversion of resources into a pro-German and disloyal trade, or Congress can do it as a war measure absolutely demanded by our people. If either does they will have the thanks of the united Church of Christ, the thanks of the fathers and mothers who are giving their boys, the thanks of American business men who, amid sacrifice of taxes, gifts, and of helpers, are conducting the business as usual amid fearful handicaps. But if this war drags its weary length through another year and the American people get the conviction that our lack of food and munitions, transports, preparations, and victories are in any way connected with the waste and ruin of the American tolerated beer trade, the reprobation of this shortsighted probeer policy bringing upon our Nation the moral culpability of standing on the wrong side on the greatest moral issue of the twentieth century will develop into the darkest cloud that ever broke over the head of human rulers for failing to apprehend the signs of the times, the providence of God and the divine purpose to clean up our world, especially to wipe from it the curse of the drug poisons of the nations.

"Ye shall be ashamed of your revenues because of the fierce anger of the Lord." Jer., 12: 13.) Do we think God is going to give victory in the world war and leave the moral conditions no better than before the war came? We must have a dry United States and a dry world.

**STATEMENT OF DR. DEETS PICKETT, RESEARCH SECRETARY OF  
THE BOARD OF TEMPERANCE, PROHIBITION, AND PUBLIC  
MORALS OF THE METHODIST EPISCOPAL CHURCH.**

I want to call the committee's attention to a factor in the war situation which is vitally related to the production of food, the distribution of food, the contented condition of labor, and every other phase



of war prosecution. Last winter the coal crises shook this Nation to its foundations. To-day we hear of an increase in shipbuilding and the production of aeroplanes and the transportation of troops over seas, but the general impression seems to be that there has been no improvement in the coal situation and we seem to be facing an inevitable recurrence of the famine experienced last winter. This will disorganize our industry and inflict suffering upon the people.

I want to submit to the committee some testimony which leads us to believe that the coal problem could be solved by prohibition. In the United States census reports for 1910, volume 8, page 363, the consumption of coal by the brewing industry for the year ending June 30, 1909, was shown to be 2,990,357 tons, or  $3\frac{1}{2}$  times as much as the bakers, 6 times as much as the printers and publishers, 9 times as much as the manufacturers of boots and shoes, 25 times as much as the manufacturers of men's clothing.

I have had the privilege of corresponding with practically every coal operator of importance in the United States and have secured statements from a large majority of these men claiming, almost without exception, that the continued toleration of the liquor trade is decreasing the output of coal from 10 to 25 per cent.

I can offer the committee a striking illustration showing how this is affecting the situation:

The Northern Iron Co. produces more than 50 per cent of the low phosphorus pig iron in the United States. It is an absolute, primary essential in the manufacture of guns, projectiles, and many other appliances used in the conduct of the war.

In a letter to Mr. Walter F. Ballinger, of the firm of Ballinger & Perrot, Philadelphia, this company makes public the fact that for weeks in the middle of the winter it had one of its furnaces shut down on account of the shortage of fuel, while the brewing industry was using hundreds of thousands of tons of coal. After an investigation the company found that it was losing about 16 per cent of the working time of its men because of alcoholic beverages, and that its accidents were increased 43 per cent by the same agency.

Mr. W. S. Pilling, the president of the company, transmitted to Mr. Ballinger a letter signed by the general manager, Mr. L. P. Ross, which says:

"We know of nothing that would be as beneficial in the prosecution of the war, and nothing that would add to our staying power as would prohibition."

Mr. Ross quotes a letter from Mr. J. L. Replogle, director of steel supply of the War Industries Board, to Mr. W. S. Blauvelt, United States Fuel Administrator, Washington, D. C., and Mr. A. H. Smith, Assistant Director General of Railways, Grand Central Station, New York City:

"JANUARY 25, 1918.

"Mr. W. S. BLAUVELT,

*"United States Fuel Administration, Washington, D. C.*

"MY DEAR MR. BLAUVELT: Confirming our several talks in reference to coke supply for the Northern Iron Co. furnaces at Standish and Port Henry, N. Y., would state that the situation on low phosphorus iron has become so acute that we would ask you to give such preference as to deliver to these plants sufficient coke to keep them in full operation, regardless of what it may mean to other plants. Their coke requirements are not large and their output is so absolutely necessary in our war program that nothing should prevent their maximum operation."

"JANUARY 25, 1918.

"Mr. A. H. SMITH,

*"Assistant Director General of Railways,*

*"Grand Central Station, New York City.*

"MY DEAR MR. SMITH: I inclose copy of letter from Northern Iron Co. to Judge Lovett, in reference to the condition at their furnaces at Standish and Port Henry, N. Y.

"We have asked the Fuel Administration to give them preference as to coke, as we do not know of any operations that are more essential than these plants,

as there is a very serious shortage of low phosphorus iron for such plants as Bethlehem, Midvale, Crucible, and many others of this character.

"Can you do anything to relieve their situation?"

It will be seen from these letters that Mr. Replogle appreciated the importance of the product of the Northern Iron Co. to the Government and frankly stated that there was a very serious shortage of low phosphorus pig iron. Although both the fuel and railway departments exerted themselves to the utmost to give the Northern Iron Co. relief, they were unable to do so for quite a protracted period, and on February 6 Mr. Ross stated that the Northern Iron Co. was producing only one-quarter of the tonnage it could have produced if fully supplied with fuel.

Many other industries were in a similar condition, declares Mr. Ross, and he continues under date of February 6:

"We are convinced that one of the very large contributing causes to the present deplorable and disquieting condition in which our country is in is the liquor traffic. For instance, there are hundreds of thousands of tons of fuel now being consumed by the breweries and in the places where alcoholic beverages are dispensed. There is also an enormous number of railroad cars required for the transportation of raw materials and finished product of the breweries throughout the country, when the cars are sorely needed for fuel and war essentials. We are also told of the reduced efficiency of coal miners and workmen in war industries through the consumption of alcoholic beverages, and, from our own experience in the employment of labor, we know this to be a sound fact."

#### HOW DRINK CRIPPLED AN ESSENTIAL INDUSTRY.

"Without the handicaps incident to the liquor traffic to the coal operators, the present available supply of fuel, and the railroad traffic, it is conceivable that we might be operating our plants to their maximum capacity at this time, when our product is so badly needed in the carrying out of the war program. Without the liquor traffic, we believe that thousands of other war industries, and, in fact, the Nation in general, would be in a correspondingly better condition.

"It does not seem to us as if the American people can afford to allow this menace to industry and economic waste to continue at a time when all of our resources and energy are so badly needed in the conduct of the war."

#### THE STORY OF AN INVESTIGATION.

Mr. Ross, the general manager of the Northern Iron Co., was not simply stating an opinion: he was stating what he knew to be so, and his knowledge was based upon a personal investigation. In order to arrive at typical facts he selected 10 intemperate workmen and 10 workmen of temperance principles, making the inquiry during June and July of 1917. There were during this period 530 working days for 10 men. The intemperate group worked 364 days, while the other group worked 534 days. In other words, the drinking group lost in working time 166 days, or approximately one-third of the time, while the other group worked slightly more than 100 per cent of the time by working overtime.

Mr. Ross says: "In selecting these groups, we selected men of like nationalities, or equal physical fitness, and those working at the same or similar work, to have our comparisons as nearly parallel as possible.

"On the basis of this comparison, and assuming, as we believe it fair to assume, that each group represents 50 per cent of our employees, it appears that our workmen were losing at that time at least 16 per cent of the working time through the use of alcoholic beverages. It is also an undisputed fact that alcohol reduces the efficiency of workmen.

"We selected the months of June and July of last year for our period of comparison, because at that time there was being shipped into the town where our plant is located large quantities of liquor, and we wanted our comparison to show the true effect of unrestricted liquor traffic. We believe, therefore, that the data thus obtained is fairly accurate, and that it represents the conditions that exist at practically every operation in wet territory, where industrial laboring workmen are employed.

#### CONTRASTING A WET AND SEMIDRY PERIOD.

"We have made another comparison to demonstrate the effect of reducing the alcohol consumption by our workmen. In October, 1917, we employed watchmen, and since that time have undertaken to prevent the importation of alco-

holic beverages into the town. We have compared the time worked by the wet group in the months of January and February of this year with the time they worked in June and July of 1917. This comparison discloses the interesting fact that these same men in January and February of this year lost 55 per cent less time than they did in June and July of last year, notwithstanding the less favorable weather conditions during the first two months of this year. We can attribute this to no other cause than the partial exclusion of liquor from the town.

"We have made a further comparison to determine the effect of alcohol on industrial accidents. We find that during the period of June and July of last year there were 43 per cent more industrial accidents than were reported in January and February of this year. A similar comparison at our other plant shows almost exactly the same result.

"We have also compared the records of our justice of the peace to ascertain the number of cases brought before him for intoxication during the two periods. This comparison discloses the fact that there were 75 per cent less cases before the justice of the peace in January and February of this year than in June and July of last year.

"There is no question but that there is a serious shortage of labor on railroads, for mining and manufacturing industries, and for our farming industry. In our opinion, the shortage is going to increase as increasing numbers of our men are required for military service. Women and girls are now being employed in manufacturing industries at certain classes of work, on railroads, street car lines, and in many other places where men were formerly employed. This is not, in our opinion, altogether desirable for many reasons. Furthermore, we do not believe there is enough work that is suitable for women to relieve the labor situation. It seems to us, therefore, that in view of the increasing demands on our industries and farms for increased production, especially those materials and food essentials in the conduct of the war, that we should strive in every conceivable way to increase the efficiency of our available supply of labor. Basing our opinion on the above data and also on our observation of many industries with which we are familiar, we firmly believe that the efficiency of the labor in the United States would be increased fully 15 per cent by the establishment of nation-wide prohibition.

"The United States has productive capacity of upward of 40,000,000 tons of pig iron per annum. At the time we entered the war we were producing pig iron at the rate of approximately 38,000,000 tons per annum. Since that time, however, the production has gradually fallen, until for the months of January and February of this year the production had fallen to a rate of 28,000,000 tons, or a falling off in production of approximately 10,000,000 tons. According to our observation, this falling off has been due to a shortage of fuel and congested railroad traffic.

"We estimate that the breweries and saloons consume coal at the rate of approximately 273,328 3-ton carloads per annum. This amount of fuel would produce approximately 8,197,140 tons of pig iron.

"We estimate that approximately 700,000 railroad cars are required to transport raw materials for the breweries, and the beer produced in the United States per annum, based on all of the beer being shipped, but not including the return shipment of empty barrels.

"We have been reliably informed that approximately 350,000 men are engaged in the liquor traffic.

"It is evident to us that if the fuel consumed by the liquor traffic could be turned to the production of war essentials, such as iron and steel, and the labor employed in the liquor traffic diverted to the mines and industries, there would be ample labor and fuel to develop our maximum capacity. Furthermore, the relief to the railroads of the transportation of materials entering into the manufacture of beer and the beer itself would go a long way toward relieving the railroad congestion and increasing our railroad efficiency.

"In view of all of the above, it seems to us that, as a business proposition, if for no other reason, the country should be put on a dry basis. We know of no one thing which would so increase our resources and add to our staying power in the conduct of the present war as would nation-wide prohibition."

And yet in spite of these facts, in spite of the appeals of business men by the million, in spite of all logic and reason, we continue to allow the alcoholic liquor trade to keep its hand on the throat of America, solely because it has political power. If it were not true, it would be unbelievable.



We submit to the committee the following authorities on the question of compensation, by Wayne B. Wheeler:

Certain fundamental principles have been established for us by the courts of last resort, which settle the question of compensation.

THE PEOPLE HAVE THE INHERENT RIGHT TO BETTER CONDITIONS.

It is well settled in law that the people have an inherent right to better their conditions in any unit of government, no matter how large, when the legally constituted majority desires to do so and have proceeded in a legal and orderly manner. The majority of the people of the United States have proceeded in a legal and orderly manner to secure prohibition.

The right of the people to keep step with advancing civilization and secure for themselves and their posterity the blessings of honest, clean government and the pursuit of happiness is inherent in the Government itself.

This power of the people to protect their health and morals in the State is called the police power.

When the Federal Government is given jurisdiction over any subject matter, it is equally responsible, so far as that subject matter is concerned, to protect the health and morals of the people from the evil in question.

The fundamental purpose of our Government is "to protect the general welfare." The courts tell us that this means to protect public health and public morals. The courts also tell us that the saloon and beverage-liquor traffic is a menace to the health and the morals of the people. As the Supreme Court said in *Mugler v. Kansas* (8 Sup. Ct. Rep., 297): "We can not shut out of view the fact within the knowledge of all that the public health, the public morals, and the public safety may be endangered by the general use of intoxicating liquor."

It logically follows, therefore, that the fundamental purpose of the Federal Government can not be adequately carried out while this crime-producing, drunkard-making liquor traffic continues.

THE BEVERAGE-LIQUOR TRAFFIC HAS NO INHERENT RIGHT TO EXIST.

The second proposition is that the saloon and beverage-liquor traffic is so bad that it has no inherent right to exist anywhere. We did not establish this fact by the dictum of any temperance organization, church body, or humanitarian movement, but by the most impartial tribunals that ever sat in judgment of any case, namely, the Supreme Court of the States and of the United States. When they decide a proposition in this country, it is law just the same as if the legislature or Congress enacted it. Hear the decisions of the courts. The United States Supreme Court said (137 U. S., 86): "The statistics of every State show a greater amount of misery and crime attributed to these retail liquor shops than to any other source."

The court then concluded its great decision with these words: "There is no inherent right in a citizen of a State, or of the United States, to sell intoxicating liquor."

The Supreme Court of Illinois, in the case of *Harrison v. People* (222 Ill., 150) said: "It must be conceded that the business of keeping a saloon or dram-shop is one which no citizen has a natural or inherent right to pursue."

"No one possesses a constitutional right to keep a saloon for the sale of intoxicating liquor."

The above language has been used by the Supreme Court of Indiana in three different opinions.

INTOXICATING LIQUOR IN A CLASS BY ITSELF.

The fact is everywhere recognized that the liquor traffic is not to be treated as an ordinary, legitimate business entitled to equal protection with other pursuits. As the court said in *State ex rel v. Judges* (50 N. J., L., at p. 595): "The sale of intoxicating liquors has from the earliest history of our State been dealt with by the legislature in an exceptional way. It is a subject by itself, to the treatment of which all analogies of the law appropriate to other topics can not be applied."

The United States Supreme Court in the recent *Webb-Kenyon* case settled this question conclusively. Chief Justice White, writing the opinion, said:

"The fact that regulations of liquor have been upheld in numberless instances which would have been repugnant to the guarantees of the Constitution but

for the enlarged right possessed by Government to regulate liquor, has, as we are aware, never been taken as affording the basis for the thought that Government might exert an enlarged power as to the subjects to which under the constitutional guarantees such enlarged power could not be applied.

"The exceptional nature of the subject here regulated is the basis upon which the exceptional power exerted must rest and affords no ground for any fear that such power may constitutionally extend to the things which it may not be consistent with the guarantees of the Constitution."

In other words, the court has put liquor in a class by itself, to the treatment of which there is no analogy in the law. It is no longer treated with the courtesy of an invited guest, but simply as a trespasser. It is not here by any right, but by sufferance only.

#### COMPENSATION INCONSISTENT WITH GOVERNMENT RIGHTS.

It is manifest that if the saloon has no inherent right to exist and the people have an inherent right to better their conditions by abolishing it, it then follows that those who engage in the traffic can not justly ask for compensation. The outstanding case on this question was decided 30 years ago by the United States Supreme Court in *Mugler v. Kansas* (123 U. S., 623): "Thirty years ago, December 5, 1887, the United States Supreme Court decided: 'The power which States have of prohibiting such use by individuals of their property as will be prejudicial to the health, the morals, or the safety of the public is not, and—consistently with the safety of organized society—can not be burdened with the condition that the State must compensate such individual owners for pecuniary losses they sustained by reason of their not being permitted, by noxious use of their property, to inflict injury upon the community.'" (123 U. S., p. 623, *Kansas cases*.)

The *Kansas* cases were submitted to the court upon the following agreed statement of facts: First. That said buildings were erected by them prior to the adoption by the people of *Kansas* of the constitutional amendment prohibiting the manufacture and sale of intoxicating liquors for other than medicinal, scientific, and mechanical purposes, and before the passage of the prohibitory liquor statute of that State.

Second. That the buildings were erected for the purpose of manufacturing beer and can not be put to any other use, and if not used they will be of little value.

In the light of this decision every liquor dealer who has engaged in the liquor business for the last 30 years has done so with full notice that he has no legal claim for compensation. This decision has been followed by every State supreme court, and has been reaffirmed many times by the United States Supreme Court. It is the law of the land on this question.

#### WHAT IS LICENSE?

A license to sell liquor is simply a permit to engage in that traffic for a limited and specified time. The authority which grants a license may even revoke it before the date named in the permit. The contention that a license gives to the liquor dealer a property right which can not be taken away until end of the permit, finds no support from the courts. These decisions are based on the fact that the State can not divest itself of its right to exercise its police power and protect the public health and public morals. Those who engage in the traffic under a license do so with full knowledge that the license may be revoked at any time. They simply take a gambler's chance when they enter the business which the Supreme Court characterizes as "a source of crime and misery to society."

The granting of the license is not even the execution of a contract because the right and security of the public safety, morals, and welfare can not be surrendered or bartered away by the legislature.

The Supreme Court said, in *Stone v. Mississippi* (101 U. S., 814): "All agree that the legislature can not bargain away the police power of the State. No legislature can barter away the public health and public morals."

Cases might be cited from every State of the Union to prove that a license is simply a permit which is not a contract or a property right. The license does not create a partnership between the government granting the license and the licensee. The Government licenses the liquor traffic on the theory that it can control a dangerous business more effectively in that way. The Government has

not been successful in its effort to control the traffic, but the reason for granting the license is not affected by this fact. Until the people adopt the policy of prohibition the Government aims to minimize the evils of the traffic by making it a special offense to sell intoxicating liquors without having a permit or license from the Government. The Government assumes none of the responsibility for damages which the traffic may do to the individual or society. In fact the Government says in most States, "You shall be liable in a civil damage action to any person whom you injure while engaged in this traffic." It notifies the licensee that his license may be revoked if he violates any of the existing laws. The Government assumes more the position of a prosecutor or a guardian of the people than that of a partner in the business. This is the proper function of the Government. The fundamental purposes of the Government to promote the general welfare requires that its policy shall be to encourage virtue and to discourage vice. If every person engaged in the business which destroys the morals, health, and safety of the people would ask for compensation, the Government itself would be bankrupt within a short time.

The Government took this attitude with reference to race-track gambling, lotteries, and many other evils, even though the Government issued licenses or permits to the persons to carry on the business of race-track gambling and lotteries. But even if a license was a contract it can carry no more right with it than a lease. When you lease property for a certain period and make improvements on it the landlord is under no obligation to compensate you for that at the end of the lease or to renew the lease. Unless there is a specific provision in the contract giving the lessee or a licensee an option to renew or compensate for the improvements made, he has no claim for them. If the Government at any time considers this alleged contract with the liquor traffic a disadvantageous one, it has a perfect right to refuse to renew that contract. This is good law, even when we deal with property and useful commodities. Usually the liquor traffic can not ask for more rights than those accorded such interests.

#### PROHIBITION DOES NOT CONFISCATE PROPERTY.

Prohibition laws do not confiscate property. They simply require the owner of the property to use that property in a way that will not injure others. The only thing which prohibition takes from the liquor dealer is the license. The license is not property or even a contract and it does not give any vested or property right. "Rights and privileges arising from contracts with the State are subject to regulations for the protection of public health, public morals, and public safety." *Gas Co. v. Light Co.* (115 U. S., 650).

In the case of *Menken v. City of Atlanta* (78 Ga., 677), the court said: "There has been no physical interference with the brewery, no trespass or tort upon it, no change in its physical surroundings or in the means of ingress and egress. It is as sound and complete in every respect and as fit for enjoyment, use, and disposition with this law in force as it would be without it. No doubt its value is greatly impaired, and impairment of value is often the essence of legal damages. No doubt, too, that the impaired value of this property is a remote consequence of the law, and that were the law repealed the value would be reinstated as it was before. But while to lessen the value of property by changing its physical condition or by subjecting it directly to new physical conditions of a hurtful character is to damage it, to reduce its value indirectly or incidentally by the casual effects of a law passed for a wholly different subject is not to damage it within any legal or constitutional sense of the term. The incidental effects upon the value of this brewery and its fixtures result not from any interference with the property, but solely from the inability of the owners to adjust their old business to the new law. These effects, if they can be called damage at all, are *damnum absque injuria*. The law does not take or damage the property of these owners for the public use, but only prevents them, to a certain limited extent, from taking or damaging the public for their use. This is their real grievance, and for that they have no remedy. Where business and law conflict it is the business that must give way, not the law."

Decisions like this might be multiplied if it would add anything to the argument. The brewery and saloon property remains after prohibition goes into effect. These buildings are converted into storerooms and factories which are a blessing to the community instead of a curse. Within a short time after prohibition goes into effect the people realize what Justice Grier, of the Supreme Court, said years ago would be the effect, namely: "The Government would be the gainer a thousandfold in the wealth, health, and happiness of the people."



EVEN IF COMPENSATION WERE JUST AND DESIRABLE, IT COULD ONLY BE EQUITABLE COMPENSATION.

If the liquor dealers wanted simple justice, they would ask only for equitable compensation. This carries with it the doctrine of a set-off and counterclaim. If you sue a person for a given amount of money and it appears at the trial that you owe that person more than that amount, the judgment is against you. If the liquor dealers believed they had a good claim under this doctrine the State could come into court and present its counterclaim; it would show the cost to the State in caring for saloon-made criminals, paupers, insane, imbecile, and degenerates. It could show the loss to the State of decreased efficiency, loss of life, increased accidents, and thousands of other sources of damage which would offset a hundred times the claim of the liquor dealers against the State. The liquor dealers do not want equitable compensation. They want the State to buy them out of a business which they had no right to enter or engage in. Realizing the people are about to exercise their right and prohibit the traffic, they now ask for compensation in order to increase their ill-gotten gains and wealth.

COMPENSATION WOULD BE UNJUST DISCRIMINATION.

The liquor traffic has been prohibited in almost 90 per cent of the territory of the United States and only about one-third of those originally engaged in the business are in a position to receive the benefits of compensation. Multiplied thousands of liquor dealers are forced out of business under license laws which had the sanction of brewers and other liquor dealers. They never, even a single instance offered to compensate those who were driven out of the business under license laws. If the principle of compensation is just, it should apply to the individual saloon keeper who is forced out of business under license as well as to the larger number who will be compelled to discontinue. Compensation would be unjust to the majority of the States, and the overwhelming majority of the people living in dry territory would be taxed to compensate those who are engaged in the traffic against their wish and authority. The attempt to work out a plan which would approximate justice would be impossible from a practicable standpoint. The liquor dealers present no plan for the solution of the problem. They simply want a gift from the Government which they have already wronged, and they are not interested in anyone else.

THE FUNDAMENTAL PURPOSE OF GOVERNMENT PRECLUDES THE POSSIBILITY OF COMPENSATION.

The fundamental purpose of the Government is to promote the general welfare. In order to accomplish this fundamental purpose right must be encouraged and wrong discouraged. Those engaged in enterprises which promote the general welfare have the support of the Government. Those who engage in a business that destroys the health and morals of the people are discouraged and eventually prohibited from carrying on such a business. To give the same right to an individual engaged in a noxious business as to one engaged in a wholesome business would destroy the purpose of the Government itself. The health and morals of the people are essential to the perpetuity of the Government. Any business which menaces these essentials of the Government has no right to exist. If it does exist, and individuals make profit out of it, they can not complain, because they had no right to engage in it at the beginning, and every hour they are engaged in it they continue by sufferance and not by right. Compensation may be justly demanded by those required to suspend a useful business, but never by those who are in a noxious business which is a menace to society.

WAYNE B. WHEELER,  
*General Counsel of Antisaloon League of America.*

**STATEMENT OF BISHOP JAMES CANNON, JR., CHAIRMAN OF THE COMMISSION ON TEMPERANCE AND SOCIAL SERVICE OF THE METHODIST EPISCOPAL CHURCH SOUTH.**

The CHAIRMAN. Mr. Cannon, will you proceed and please state first your full name and your official connection.

MR. CANNON. My name is James Cannon, jr., and I am chairman of the commission on temperance and social service of the Methodist Episcopal Church South.

I have no special zeal in making a speech, except that I think that in a hearing like this the great South should have a representative. We represent a tremendous body of the prohibition people of this country, and, as I understand, up to the present time there has been no voice from that section heard in connection with this amendment. I think I can very properly speak for the southern Baptists also, as I had a conversation last week with Dr. A. J. Barton, who is the chairman of the committee of that church, and I know exactly the position that the great southern Baptist convention took at Hot Springs in May. I wish to read the resolution adopted by the general conference of the Methodist Episcopal Church South on May 18 last. This general conference, representing as it does a great body of the citizenship of our Nation, 2,250,000 members, of which a very large proportion is working people (and which number is really a little larger than the number of those represented by the gentleman, the secretary of the Brewing Association, who spoke a little while ago) adopted this resolution:

*Resolved*, This general conference, representing as it does a great body of the citizenship of our Nation, most earnestly petitions Congress to pass speedily such legislation as will absolutely prohibit the sale of all kinds of intoxicants for beverage purposes during the period of the war and of the demobilization thereafter.

The gentleman who spoke last for the opposition—I did not get his name exactly——

The CHAIRMAN. It was Mr. Bainbridge Colby, of the United States Shipping Board.

MR. CANNON. Mr. Colby stated simply his opinion. I think, however, that in his remarks he failed to recognize the fact that while it is true that many of us may be, as he says, prohibitionists in our views, yet that the opinion which we hold on prohibition is, we believe, a sound opinion, based on facts, and that our opinion is as worthy of consideration by this committee as is the opinion of Mr. Colby, and there is no more reason to brand our opinion concerning prohibition as a "fad" than there is to brand his opinion concerning prohibition as a prejudice.

He does not think prohibition is the wise policy. The great conference of the Methodist Episcopal Church South and the great southern Baptist convention (and these two great bodies represent the views of the great body of the Christian citizenship of the South) say that, in their judgment, prohibition is a very wise policy. These two great bodies unanimously petition Congress to pass this legislation, and they took this action, not, as Mr. Colby says, because prohibition is a "fad" with them, but because they believe that the actual facts justify the opinions which they have formed that the complete prohibition of both the manufacture and of the sale of all kinds of intoxicants is the proper policy for this Nation to pursue at this time.

There are so many things that one wants to say, which can not be said within the short time assigned me that I am obliged to be somewhat hasty.

But replying further to Mr. Colby, I call attention to Newport News, Va., which is one of the greatest shipbuilding ports in this country. Newport News turns out as much shipping in proportion to the men they have as any other shipyards in this country. When prohibition went into effect in Virginia and when last November I asked for statements from the citizenship of the State as to the results of prohibition, my recollection is that the manager of that great shipbuilding plant, Mr. Ferguson, expressed himself as delighted with the effects of prohibition on the shipbuilding industry of Newport News. And there is no justification from the facts as we have them from Newport News for the fear expressed by Mr. Colby that prohibition will injure shipbuilding operations. He admits that to be a conjecture on his part; that it is a mere opinion, without any basis of facts.

Now, with regard to the effect of liquor upon the efficiency of the soldiers, I would state to the committee that I had an interview with Gen. Pershing—or, rather, two interviews—while I was in France, and he was very clear in his position on the effect of alcohol upon the efficiency of the soldiers.

Senator NORRIS. Can you get that letter of Mr. Ferguson, of the Newport News Shipbuilding Co., and include it as a part of your testimony before the committee?

Mr. CANNON. I think his statement was printed in a Virginia newspaper. I can probably get another statement from him.

Senator NORRIS. I wish you would include it as a part of your testimony. I think that has a direct bearing upon Mr. Colby's testimony.

(Later on Mr. Cannon submitted a statement from Mr. Ferguson in the form of a telegram from Dr. E. T. Wellford, pastor of the First Presbyterian Church of Newport News, which read as follows:)

NEWPORT NEWS, June 19, 1918.

REV. DR. JAMES CANNON, JR.,

Washington, D. C.:

Have just had conference with Supt. Ferguson of the shipbuilding company. In his judgment prohibition has been a great blessing to this community, to the shipyard employees, and to the shipbuilding company. Mr. Ferguson will gladly so testify to any authority.

E. T. WELLFORD.

Mr. CANNON. I think the best thing for this committee to do would be to get the statistics from the Newport News shipyard and all other shipyards in the country.

Hon. Josephus Daniels, in his official capacity as Secretary of the Navy, authorizes me to say that since the adoption of prohibition the efficiency of the workmen in the navy yards at Portsmouth, Va., Charleston, S. C., and Bremerton, Wash., has increased decidedly, and the output of work has been greater than before prohibition went into effect.

This statement by the Secretary of the Navy shows the actual results obtained by prohibition as over against the "opinion" of Mr. Colby as to the probable results of prohibition.

It was also stated by the Secretary of the Navy that since the closing of the saloons at Mare Island, a destroyer was built ready for launching in a record time of 17 days. This was in a dry zone created by the Secretary of the Navy.



I wish to emphasize that Mr. Colby expressed simply his opinion as to what would be the effect of prohibition upon the shipbuilding output, and he declared that it would be 25 per cent, in his judgment, but he did not present any facts or figures to justify this opinion. There has never been a prohibition campaign in any State or city that the opponents of prohibition did not predict that prohibition would have a disastrous effect upon labor and industrial conditions in general.

But, as a prohibition worker of about 30 years' experience, as a careful observer of the effects of prohibition upon business, poverty, vice, and crime, I wish to testify that to my knowledge not a single prediction of industrial depression or labor trouble following the enactment of prohibition has been verified. On the contrary, the official statistics of every prohibition State, the testimony of leading officials, of business men, and of moral and religious leaders all unite in favor of the splendid results which have followed prohibition of the manufacture and sale of intoxicating liquors.

Mr. Colby is simply another prophet of evil who, however sincere he may be, is evidently influenced more by his preconceived opinions rather than by the indisputable facts which he could obtain by a careful investigation in any prohibition State.

Now, why not have the facts in the matter. Why should not this committee obtain from the shipyards in the States where prohibition is already the law the effects of the prohibition policy? The committee can get the facts and an ounce of fact is worth a hundred-weight of theory. It is surprising that Mr. Colby should appear before this committee as a representative of a Government board simply to express an opinion based apparently on preconceptions and fail to bring with him any statistics in justification of his opinion.

One of the gentlemen who spoke this morning referred to the workers in the coal mines, and I discussed very recently with one very high in authority in the Government the question of the effect of prohibition of intoxicants upon the laboring men, and in that discussion special reference was had to the effect of labor in the coal mines. Following that discussion I took up the matter with one of the largest coal operators in West Virginia and Kentucky a day or so ago, a man whose companies have recently begun to operate in 12,000 more acres of fine coal lands. He said that the good effect of prohibition upon the mining industry in that section had been incalculable, and he is a man who directs the investment of millions of dollars in coal mines.

Senator NORRIS. I wish you would get his statement also and file it with the committee.

Mr. CANNON. I will do so by wire. He is the president of two large coal companies, one in Kentucky and one in West Virginia. In discussing this matter somebody has said that the miners, especially the foreigners, who would go away from mines in sections where prohibition prevails, but the reply to that statement in connection with Nation-wide prohibition would be to ask the question, "Where would they go?" Wherever they went they would encounter prohibition, if this amendment should be passed.

(In response to the request of Mr. Norris, Mr. Cannon shortly after the hearing filed the following telegram:)

CREWE, VA., June 19, 1918.

Bishop JAMES CANNON, Jr.,

*Washington, D. C.:*

For a number of years I have been interested in coal mines in West Virginia and Kentucky. I have an excellent opportunity of knowing conditions in the coal fields in both States. I unhesitatingly say that prohibition in one State and local option in the other has greatly improved working conditions and helped us wonderfully in increasing the output.

This is especially noticeable for several days after each semimonthly pay day. I feel safe in saying that a very large majority of operators appreciate the importance of keeping liquor as far away as possible, and I know the mine workers, with very few exceptions, heartily concur in this.

C. E. WILSON,

*President Mary Helen and Wilson-Berger Coal Cos.*

Now, I want to quote the statement I referred to made by Gen. Pershing concerning the effect of intoxicants upon the efficiency of the soldiers. Gen. Pershing said, substantially, in my presence what appeared later on in leading English newspapers. Lord Rhondda, the food controller of England, sent me a copy of a leading English newspaper, which I hold in my hand, in which the statement by Gen. Pershing is given in full:

Drastic action always follows alcoholic excess—

Talking about discipline—

not as a punishment, but as a deterrent, as a part of the conservation of man power, which must be kept in operation if we are to win the war. From a military point of view, we can not tolerate alcohol among our soldiers. War is merciless. Men must be competent. The drinking man makes a bad soldier, no matter how much Germany may believe in screwing up the courage of her men to win; the Army will not stand alcohol, because it must conserve its man power.

That is a statement by the general in charge of our forces in France, and he said substantially that very thing to me in person. And this statement is published in one of the leading British papers, which paper has been sent to me by the food controller, Lord Rhondda. If alcohol can not be tolerated in the Army and Navy, why should it be tolerated in business and industrial life?

As a matter of fact, gentlemen, the one special question, it seems to me, for this committee to decide is whether the exigencies of the present situation are such that Congress is justified in passing a war-time prohibition measure which, under ordinary conditions, they would not have the right to pass owing to constitutional limitations.

Now, gentlemen, I say that the whole idea underlying war is that the law of war confers power upon the Government to restrict men in their conduct and gives to the Government power to draft men and to commandeer property in every way necessary to the successful prosecution of the war.

For instance, in England to-day there is a meat card and a butter card. There is in France a ticket by which you can get 300 grams of bread a day, and no more. I was obliged to register in England and France to obtain a meat card, a butter card, a sugar permit, a bread ticket, and was not allowed to purchase any more than the amount indicated by the cards, and here are the cards which I was obliged to have to obtain those articles of food.

If the Government can step in and restrict the necessities of life and can say, "You can have no more and no less of these things, and nobody can sell any more to you, under pain of fine and imprisonment," is it not proper for the Government to step in and absolutely restrict to the vanishing point the nonessentials of life, when by so doing it would increase in a large measure, according to Mr. Hoover's own statement, the necessities of life, such as grain, sugar, and coal.

That is the great question. Are we not justified in restricting the nonessentials of life in order to increase the essentials? Gentlemen, if we were discussing any other question but the liquor question there would not be any doubt as to the decision; but it is only when we touch this question that we are called fanatics and cranks, and it is said that we do not consider this question as a matter of sound judgment but as a "fad."

When this great Nation through its Congress, by a two-thirds majority, has said that this "fad" has reached such proportions that the people of the various States shall have a right to say whether it shall become permanent law by being placed in the Constitution; and when the 13 States which have voted on the question have all, but one, ratified the amendment, and the other one State simply defeated it by a tie vote in one house, it proves that this is no longer a fad, but that this is a question of governmental policy, having in it a great principle, which the people of this country have determined to embody in the Constitution.

Mr. Chairman, I have a great many other things I wanted to say; I did not expect to be cut off; but I suppose I have used up all my time.

The CHAIRMAN. Yes; and a little more.

Mr. CANNON. I just wanted to emphasize that point.

Mr. DINWIDDIE. Mr. Chairman, Dr. Cannon will have the privilege of extending his remarks, will he not?

The CHAIRMAN. Yes; any facts in addition that he desires to submit to the committee he may submit for the record; and the same privilege has been extended to the other side.

Mr. CANNON. I would like to put in something about conditions in England, which I personally investigated, comparing these statements with what the gentlemen said about the increase in the use of beer in England. I have the official figures here, and they show that the material used in the manufacture of intoxicants has been reduced from 1,858,000 tons to 512,000 tons, a reduction in the amount of material used of 1,344,000 tons, which is 72 per cent, or nearly three-fourths of the material used in 1914.

Furthermore, the Government has fixed the supply for the year from April 1, 1918, to March 31, 1919, at twelve and one-half million barrels of beer as compared with 36,000,000 barrels before the war, and at 14,000,000 gallons of spirits as compared with 35,000,000 gallons before the war. This shows that the statement of the previous speaker that the English Government had increased the supply of intoxicants is absolutely incorrect, for the official figures show there has been a reduction of two-thirds.

The statement of Joseph Proebstle, of Cincinnati, the general secretary of the United Brewing Workers, that workmen will be dissatisfied if they can not get beer and will not continue to work is a



slander upon the patriotism of the workmen of this Nation. Millions of the workmen of the nations believe that prohibition is a blessing to the workmen and to their families. It would have been impossible to have secured prohibition in great States like Michigan, Indiana, Texas, and other States, if the workmen of these States were all antiprohibitionists. The position taken by this gentleman, with the German name, is the position of the German-American Alliance, which was investigated by the Judiciary Committee of the United States Senate. He is violently opposed to prohibition as is the German-American Alliance. But he does not represent the American spirit, and his insistence that the prohibition of beer will produce discontent among the workmen is a reflection upon the loyalty of the workmen of the country, and a practical declaration that their patriotism is not equal to a sacrifice of beer for the good of the country.

If the Government is justified in limiting the amount of foodstuffs, coal, transportation, and sugar to be used by individuals and for business purposes, it is certainly justified in saving the amount of foodstuffs indicated by Mr. Hoover as used in the manufacture of beer, and the same applies to coal, sugar, and transportation facilities, and the people of this country who have accepted loyally and without murmuring the limitations placed upon them in the use of necessities, will also accept with equal loyalty this limitation of the prohibition of the use of intoxicants in order that there may be an increase in the supply of necessities. To declare otherwise concerned any man is to brand him with disloyalty without proof, and to charge him with a greater love for beer than for his country. I believe that this is a slander upon the workmen of the country, and that they love their country more than they love beer, Mr. Joseph Proebstle, the secretary of the United Brewing Workers, to the contrary notwithstanding.

I submit some statements for the consideration of the committee which have just been received.

WEST POINT, VA., *June 20, 1918.*

Bishop JAMES CANNON, Jr.,  
*Washington, D. C.*

C. M. Maskey, assistant manager York River Shipbuilding Co., states that they do not want any beer near their shipyards. Baltimore is close enough. Beer would be a great hindrance to their work.

DAVID HEPBURN.

HAMPTON, VA., *June 20, 1918.*

Bishop JAMES CANNON, Jr.,  
*Washington, D. C.*

We have no hesitancy in stating our belief that when intoxicants are obtainable there is a resultant decrease in efficiency and attendance among the workmen.

E. B. PUGH,

*General Superintendent, Newcomb Shipbuilding & Dry Dock Co.*

JACKSONVILLE, FLA., *June 20, 1918.*

JAMES CANNON, Jr.,  
*Washington, D. C.*

Former President Stevens, of the Merrill Stevens Shipbuilding Co., here states that Jacksonville going dry May 21 has improved the situation and the output of their yard.

C. W. CROOKE.

BRUNSWICK, GA., *June 20, 1918.*

Bishop JAMES CANNON.

*Washington, D. C.*

Have interviewed C. W. Irwin, general manager Brunswick Marine Shipbuilding Co.; works 300 men; the Hampton, same office, United States Maritime Co., works 1,000 men; J. E. Lambright, same office, American Shipbuilding Co., works over 1,500 men. They all agree that it would be practically impossible to work their men at all and the town would be a hell if they could obtain whisky or beer. Official lid has been tightened in the city during the last six months and they all agree that efficiency of the men has improved more than 100 per cent. All agree it would be an irreparable mistake to allow the men beer. We think Mr. Colby made a fearful blunder in his statement before committee, and that he should be called down good and strong.

L. J. BALLARD.

*Pastor First Methodist Church.*JACKSONVILLE, FLA., *June 20, 1918.*

Bishop JAMES CANNON, JR.

*Washington, D. C.*

McGowan, of Shipping Board, who is in charge of shipbuilding plant here, appears to be in Washington. Supt. Zimmerman says that while he has seen no marked difference since prohibition came here, certainly no injury, and he believes national prohibition would be beneficial on the whole.

I. C. JENKINS.

TAMPA, FLA., *June 21, 1918.*

Bishop JAMES CANNON, JR.

*Washington, D. C.*

Tampa dock people prohibitionists; have strict rules against drinking, but refuse to be quoted on question asked. Under Davis package law beer can only be sold in original package and drank in home. Prohibition will have little effect on shipbuilding here as we really have it now.

COOPER.

Bishop James Cannon, Jr., of Richmond, Va., replying to statements made that the prohibition of beer would affect the efficiency of labor in the mines and in shipbuilding, and that it was necessary for the soldiers in France, said that on his recent visit to France, Gen. Pershing, during an interview which Bishop Cannon had with him, expressed his opposition to the use of alcohol in the Army, and said, what was published later in the London papers, that—

From the military point of view we can not tolerate alcohol among our soldiers. War is merciless; men must be competent; the drinking man makes a bad soldier, no matter how much Germany may believe in feeding up her men on alcohol in order to screw their fighting courage to the sticking point. The Army won't stand alcohol because it must conserve its man power.

Bishop Cannon declared that the great shipbuilding plant at Newport News, Va., had been operated with far greater efficiency since the abolition of saloons in that city, and that the president of two great coal companies has told him within the last week that the good order and the coal output has been greatly promoted by the prohibition of the liquor traffic in West Virginia and Kentucky.

Hon. Josephus Daniels, in his official capacity of Secretary of the Navy, authorizes me to say that since the adoption of prohibition the efficiency of the workmen in the navy yards at Portsmouth, Va.; Charleston, S. C., and Bremerton, Wash., has increased decidedly, and the output of work has been greater than before prohibition went into effect.

This statement by the Secretary of the Navy shows the actual results obtained by prohibition as over against the opinion of Mr. Colby as to the probable results of prohibition.

It was also stated by Secretary of the Navy that since the closing of the saloons at Mare Island a destroyer was built ready for launching in a record time of 17 days. This was in a dry zone, created by the Secretary of the Navy. (Statement in speech of Hon. William Jennings Bryan.)

(The following material was subsequently submitted by the opponents of the amendment, and is here printed in full, as follows:

#### **STATEMENT OF D. CLARENCE GIBBONEY, OF PHILADELPHIA.**

Mr. Chairman and gentlemen of the Committee on Agriculture and Forestry, as a preface to my remarks, I want to thank you for, and express my deep appreciation of, the opportunity you have accorded me to appear before you in your considerations of the proposed amendment to the \$11,000,000 agricultural emergency appropriation bill.

I am opposed to the amendment. I appear here in opposition to it, not because it proposes to accomplish total and absolute prohibition 30 days after its enactment into law, but because it purposes to make that prohibition and abolishment of the legalized liquor business effective under a process of confiscation and ruination that would take no account of, give no recognition to, provide no compensation for, lawful property investments in that business, legally acquired and legally held, which inevitably would be greatly depreciated in value or be entirely destroyed by sudden discontinuance of the enterprise. In a very brief way that statement summarizes my attitude.

I shall leave it to others, if they care to, to discuss the moral right and the parliamentary justice of attempting to enact Nation-wide prohibition by the attachment of amendment or rider to some other piece of legislation in no way even remotely related to the liquor question. The President himself already has spoken, not once but several times, in emphatic opposition to such congressional action, and I think that in explaining his own attitude he has made the injustice of such procedure so clear that it requires little further amplification or analysis at this time.

There is an infinitely greater and more far-reaching injustice than a mere matter of parliamentary tactics or legislative action that this proposed amendment would perpetrate, and if I proceed to my subject with a directness approaching bluntness, and without oratorical polish, please attribute it to the sincerity of my purpose and my effort to put all the essentials of what reasonably might be an almost limitless course into the least possible space of time.

In appearing before you I hold no brief other than that of a law-abiding, law-respecting, tax-paying citizen, vitally and for many years intimately concerned in the maintenance of that sort of morality which is founded upon the right, and which accords to all men equal justice. I am not here as a defender of the liquor traffic. If, when I add to that the further statement that neither am I here to condemn it, my position may seem to you to be something of an anomaly, I am content to allow the development of my address to prove the logic of my statements, and to set forth as clearly and



convincingly as my command of language will permit that while the traffic, as such, may be difficult and well-nigh impossible of defense, the condemnation of it, and the opposition to it, has been diverted and distorted into an unfair and unjustified accusation and indictment of those who lawfully engaged in it. For men can not justly be accused, nor can they rightfully be held responsible to any punishment merely for obeying and abiding by the law. And that principle stands, no matter how bad or vicious or costly or mistaken the law itself may have been.

The law-created, law-established, law-sanctioned, and law-protected liquor traffic, in deliberate partnership with which every man and woman in this country has shared in its profits, has been described as a ruinous business, working harms that never can be repaired. It has been characterized by its opponents as nothing short of an agency out of hell and an instrumentality of the devil, taking an immeasurable and appalling yearly toll of lives and characters and souls. Many have indicted it as offering no real excuse in its own defense, no justification for its continued existence.

If those charges are true, or even if they are untrue, and a majority of the people desire to dissolve the bargain which the people themselves made, and they are willing to make that dissolution and abolition upon fair, honest, and equitable grounds, then, I say, abolish the legalized liquor traffic. Illegalize it to-morrow. Make that illegalization effective over the entire length and breadth of the United States. Announce a new declaration of independence—an independence of what has been called the greatest curse of mankind. Sever forever our connections with rum. End for eternity our tolerance of it. Abolish the booze business and never again permit a fellow citizen to enter into it, or to fall a victim of it. Do it at once, and do it effectively. But in the name of all that is good and righteous and beneficial, in the name of which the proposal is put forward, do it under a plan of justice at least consistent with the moral standards that are claimed to inspire the lofty ideal.

For, just as Biblical admonition tells us that we can not build an enduring house upon foundations of sand, so I can not see how a great moral structure designed in the interest of humanity, such as national prohibition is pictured in the prospective, can be erected upon precepts of intolerance and principles of injustice; and I fail to discern any just, fair, equitable, or moral grounds upon which we, in the name and the cause of morality, can virtually confiscate and destroy property legally acquired and legally held by fellow citizens who made those investments under the full sanction of the law, and only in order that they might engage with the whole people in a profit-sharing partnership which the people themselves, through their Government, established and made legal.

Obviously and inevitably such a confiscation and destruction of lawful property holdings and investments would be the direct result of the adoption and passage of this proposed amendment.

Propagandists who have professionalized the prohibition agitation for reasons commonly believed to be at least not costly to themselves, and some of the most sincere advocates of abolition of the legalized liquor traffic as a moral betterment and economic necessity, alike bring to bear to sustain their contentions the very indictment of the

business which I already have mentioned. But, deliberately and selfishly, or through lack of thought and ignorance of the legal status in which the liquor business was established, they confuse the traffic and its results with the men engaged in it, and, entirely ignoring how the enterprise was created and encouraged, by whom and for what purpose, who participated in it and to what extent, they seek to place entire responsibility for the contract itself and for the effects of the rum sales which it authorized, wholly and solely upon the shoulders of those who invested and engaged in the enterprise merely as profit-sharing partners with the whole people.

And upon that palpably false premise they attempt to promulgate a principle justifying virtual confiscation of lawfully held property, and denying any reimbursement whatever for the destruction or depreciation in value of such property by sudden severance of the partnership and discontinuance of the business.

It is hardly necessary for me, addressing men charged with the responsibility of drafting national legislation, and who are familiar with that enacted by their predecessors, to go into an analysis or discussion of how, and under what circumstances and conditions, the liquor traffic was brought into lawful existence, solely for the profit-sharing public income to be gained therefrom—constantly increasing public profits for governmental and public purposes that otherwise would have had to be financed by direct taxation: ever-growing public profits that largely have financed our Government through every national emergency and crisis up to the present.

We all know that statement to be true, and there is no moral or lawful avenue of escape from the self-created responsibilities which we thus brought upon ourselves for whatever effects that might or may have resulted from the bargain.

Why, Mr. Chairman and members of this committee—and I say it with all due deference and respect for the gentleman himself and the high office he holds—no less a prohibition advocate and leader than United States Senator Morris Sheppard, who recently was quoted as having said, "We will force a vote for absolute prohibition, and we believe we can put it over," only a relatively short time prior to that, speaking upon the floor of the Senate of what he himself described as "the terrible partnership between the Government of this country and the liquor trade," yielding, he said, a large part of the revenues which sustain the Republic, added to that statement this significant, far-reaching, and undeniable truth, "yea, our very salaries as Senators of the United States represent men's broken bodies, men's wasted lives, the widow's and the orphan's cry, the white slave's bartered shame."

And yet for years it has been the custom of some of the foremost advocates of prohibition in this Nation to attempt to deny the rights of liquor men to compensation for property that would be depreciated or destroyed by abolition of the business, upon the ground that before such compensation could or should be granted, the liquor men themselves, the men who engaged in the business in partnership with us, who sold rum only under our authorization and in accordance with all the stipulations which we laid down, and who shared with us every dollar of income from the sale of that rum, first should compensate all the widows and orphans in this country alleged to have been made such by the liquor traffic.

I quote to you another sentence from that same speech by United States Senator Sheppard. Listen to it, please:

We are as much the authors of woe and tears and ruin as any follower of Alaric, who immersed his sword in the blood of mothers and of babes.

Could any confession or accusation be clearer or more emphatic than that?

In the face of the undeniable facts and of that statement made in the United States Senate by one of the most potential prohibition leaders in the Nation, how dare any man or any set of men, alleging his or their motives to be righteousness and morality, attempt to assert that only one partner to the contract or conspiracy—call it what you will—the active partner who made and sold the liquor for our profit, should be held wholly and solely responsible for what resulted from it, and that we should retain to ourselves every dollar of the billions we have taken out of the business without a penny of investment, while the other partner, who made all the investments, both in money and materials, should be denied any compensation for his damaged or destroyed property when we get ready to end the contract and throw him out of business?

How dare any man attempt to justify such sophistry?

In that same statement, to which I twice already have referred, Senator Sheppard said:

Responsibility for the miseries and the crimes of men rests far more largely with society than may be generally supposed. People who keep their own lives blameless have by no means entirely met their duty to humanity or to God. A man may be a drunkard and never drink; a thief, yet never steal.

And I add to that this statement: "A man may be—aye, in this country all men have been—engaged in the liquor business, even though they never owned a saloon, tended a bar, or took a drink; for they created the traffic, they sanctioned and encouraged the business, they supervised the enterprise, and they profited from the partnership, even if they never, directly or indirectly, invested a penny in it."

I maintain—and rightfully, I believe—that the bitterest excommunication, the most severe indictment that could be brought against the legalized liquor business can not in the least diminish our responsibility for it or affect the legal status in which we established it, or in the slightest degree relieve us of the moral and financial responsibilities we assumed when we established, legalized, and became full-fledged, profit-sharing participants in that business.

Prior to the material advances which followed the outbreak of the world war in 1914, our annual participation in the profits of the liquor traffic, through the Federal Government alone, was something like \$300,000,000. I understand that competent Treasury Department estimates approximate the total public income from all sources for the year 1918 at \$1,035,000,000. You men are more familiar than I with the difficulties that may confront the Congress in drawing this vast annual income from other sources. That, however, is a phase of the matter not particularly pertinent to the subject of my remarks. Whether that income shall be easy or difficult of replacement, the irrefutable facts remains that we, who by law created the legalized liquor business; we, who by law protected and encouraged it; we, who by law regulated our vast profits from it, can not, with



self-respect or honesty or any semblance of common justice, attempt to escape our own proper share of the financial burdens incident to the abolition of the business and the liquidation of that which many call the "shameful" partnership.

I have no criticism to make of the motives of those who, in the sincerity of conscientious convictions or from lack of information on the subject, disagree with me. I recognize the right of every man to his own opinion. But I say to you bluntly that if, with my knowledge of the whole history of the legalized liquor business—and the recognition of our own obligations and responsibilities which that knowledge compels—I should attempt to hold the liquor men themselves personally, morally, and financially responsible for all the harms wrought by the rum which we licensed and authorized them to sell—and for the sale of every ounce of which we have taken our prescribed share of the profits—I would be a shallow hypocrite, and false to the Christian doctrines to which I always have subscribed, and for which I always and vigorously have fought.

And yet, gentlemen, that is exactly what this amendment proposes to do, for it provides a method of prohibition and abolition under which the public would retain all that it has taken from the business, while our active liquor partners not only would be legislated out of their present means of livelihood, but would suffer the destruction of stock then on hand, together with an absolute investment loss represented in the difference in the value of their properties for present purposes, and the cost of converting them to other purposes, or their value for other purposes, providing they were financially able to make those necessary conversions.

I submit to you, as a common and undeniable axiom of all moral law and Christian principle, that it matters not whether men are engaged in the wet-goods business or the dry-goods business, whether they are bankers or brokers or printers or peddlers—it matters not what the character or our present characterization of their business—if it is a business which we by law established, which we by law regulated and protected and thereby encouraged, and from which we by law have taken, and are now taking, tremendous partnership profits, then the liquidation of that business—wet goods or dry goods—can only honestly be accomplished by a process of law taking proper cognizance of the partnership equity, and not under a plan by which one partner, the public, would keep all of the billions of dollars it has made out of the enterprise, and the other partner lose all that he has invested in it under the requirements, and presumably under the protection, of the law we made.

Not only have we, as a Nation and as individual States, been in a deliberate profit-sharing alliance with the legalized liquor business, but it has been a partnership in which every condition has been dictated by the Nation and the State. Not alone have we stipulated the price that a man must pay to engage in the enterprise with us, but we have specified on what days he might sell and on what days he might not; at what hour he might open, and at what hour he must close; to whom he could sell, and to whom he could not. We have gone even further than that, and in consideration of the price which we fixed, have surrounded the business with all the protection and sanction of the law, and undertaken to guarantee the elimination of

illicit and therefore unfair competition. All the conditions have been of our making; and annually in advance we have taken that share of the profits which we legislated should be ours.

Some men have called this legalized liquor traffic, this profit-sharing partnership between the Government and individual citizens, a conspiracy. Accept it as such if you want to. But in Pennsylvania, my State, and every other commonwealth that I know of, if one man hatches a plot to murder and another carries that plot into effect, both parties to that conspiracy are equally guilty in the eyes of the law—the man who planned the crime, along with the man who carried it into effect—and, if the law is able to lay its hand upon them, both swing to their doom from a gallows, or go to their deaths in the electric chair. Not only does the law of conspiracy go that far, but as every lawyer in this room knows, it further provides that if, for instance, two men conspire to commit a theft, and one in trying to consummate the agreement commits a greater crime, both are equally responsible and guilty for all that results from the conspiracy.

Who, I ask you, were the conspirators who fastened the fangs of the liquor traffic into the very vitals of the social body of this Nation? Can we, dare we, with honesty to ourselves, answer that only one party to the conspiracy—the men who carried out the agreement which we drew up and shared with us all the profits resulting from it—are to be held responsible for all that resulted from it?

The whiskey, gin, and beer business may be, as some men describe it, a plague. But it is a plague from which we have not been too good, or too moral, or too righteous, or too conscientious, or too Christian-like to take a large share of the profits for our national subsistence. And if it is a plague now, it was equally a plague when we established it and made it legal, and the danger of it was known then as well as it is known now. It is the same traffic, attended by the same evils, and the business is the same now as when we brought it into being and gave it lawful sanction for our own financial profit.

And, I say to you, that if we, the people, who did establish, legalize, and become profit-sharing partners in the liquor traffic, now are to abolish it and declare unlawful that which we ourselves made lawful, then, under every interpretation of law and equity, and every principle and precept of justice, we are bound to compensate men for the resulting destruction or depreciation of property in which, under every justification and sanction of the law, they invested for the active conduct of that business which we established, legalized, and, to the extent of billions of dollars, have profited from.

Some of the advocates of prohibition, who would deny any compensation for the lawful property investments that would thereby be depreciated in value or destroyed, cite as substance for their attitude the Supreme Court's decision in the *Mugler Case*, of Kansas. But I would like merely to remind you that the United States Supreme Court decided that question entirely upon its interpretation of existing statutes, and it did not go into the right or the wrong, the justice or the injustice of those statutes. And I contend that the existing laws applying to the legalized liquor business are morally and from other viewpoint unjust, in that they made the liquor traffic lawful, gave it all the protection of the law, provided under those laws for public participation in the profits accruing from the business, compelled

vast private investments in order that men so invited by law might engage in that legal enterprise, and then left the way open for sudden illegalization of that business with the public retaining all that it has taken in profits from the enterprise, and all the losses through destruction of legitimate investments falling upon the men who did nothing more than conform to the requirements of the law.

Are we to enter against ourselves now the indictment that those men had no right to accept our intentions as honest intentions, and that they should have known all along that we were planning to swindle them later—that we deliberately inveigled fellow citizens into making large property investments so that we might collect from their business many billions of dollars, intending all the while eventually to oust them from that business without a penny of reimbursement for the property losses caused thereby? That is the exact position that passage of this amendment would put the whole people of this Nation in.

Sometimes, gentlemen, men fear being tricked and swindled when they engage in a partnership agreement with other individuals. But surely citizens have a right to expect honest treatment and a square deal when they enter into a business arrangement with the United States of America!

United States Senator John Sharp Williams, in addressing the Senate on the District of Columbia prohibition bill, said:

I think now and then that men in their desire to do good by law are dishonest. Some time ago one of the States of this Union—overnight, you might say—passed a prohibition law forbidding the sale and manufacture of malt or vinous or distilled liquors within its boundary. Men in that State had hundreds of thousands of dollars invested in breweries and distilleries. Men in that State had just finished paying the State for their annual license, which was permission to sell for the next succeeding 12 months. And that State did not compensate the men for putting their distilleries and breweries on the junk pile; and it did not even return to the men from whom had been collected the year's license the day before the law was passed the money which those men had paid.

The highest form of morality can not afford to steal, and it ought not to steal; it ought not to take money under false pretenses. If it does not take it under false pretenses—if it takes it under a legitimate pretense—and if by its own action it does away with the consideration for which the money was given, then it ought to restore it.

And I believe every member of this committee must subscribe to that statement.

No other nation on the face of the earth that established and financially participated in the legalized liquor traffic has attempted to abolish it without just and equitable compensation for the property destroyed by that action.

England, in its so-called consolidation act of 1910, which abolished a certain number of saloons, and again in its so-called munition districts act, following the outbreak of the present war, provided under the first for full remuneration, not only for the property and fixtures but as well for the value of the license, and under the second gave adequate remuneration for a part-time closing of saloons within certain radii of munition factories.

Switzerland, in abolishing the making and selling of absinthe in 1910, provided compensation not only for the properties thus made useless or depreciated in value but also compensated the owners and the employees of the farms on which the product was grown, as well as the workers in the absinthe distilleries.



On April 25 of this year the Swedish excise board of control, to which the subject of national prohibition in Sweden had been referred, said in its report to the First Chamber of the Swedish Parliament:

The State recognizes both the moral and legal right of distillers, brewers, dealers, hotel keepers, and proprietors of similar enterprises to compensation if their properties are destroyed.

Australia, Denmark, and other nations have followed in the same pathway; and even Russia—brutal, barbarous, autocratic, inhuman, unjust, intolerant Russia, as we then knew her to be—50 years ago made Government purchase of all the vodka distilleries in the Empire, and at the beginning of the present war was able to close out the entire business under an edict of national sobriety without the loss of a single dollar to any individual or corporation.

And even within the present year China—dark, uneducated, densely populated, slow-thinking, tardy-moving, unenlightened, age-old, idol-worshipping, slant-eyed China—in ridding herself of the opium trade and the opium habit is challenging the United States of America in tactics of efficiency and methods of honesty and square dealing, for the Government of China entered into an agreement with the Shanghai opium combine to purchase the latter's entire stock through an issue of treasury bonds, and hereafter the production and sale of the drug is to be prohibited.

We stand alone in the galaxy of nations—we, the free and liberty-loving people of the United States—as the only country under the sun which, having established, participated in, and profited from the liquor business, and having invited men to engage in it entirely under terms of our own making, then has attempted to illegalize that business, with all the losses of abolition saddled upon those who thought, and had every reason to believe, that they were law protected when they engaged, in a law-abiding way, in a law-sanctioned enterprise.

And, gentlemen of this committee, we attempt to maintain and justify that attitude, in spite of the fact that right now, upon whisky that could be made for from 25 to 50 cents a gallon and, untaxed, could be sold at a reasonable profit at from 50 to 75 cents a gallon, the Government of the United States—and that means every citizen in the Nation—is demanding and receiving as its profit \$3.20 on every gallon. Yet some people try to maintain that the whole people of this country are not engaged in the legalized liquor business.

Some people, I say, try to maintain that we have not been profit-sharing partners in the legalized liquor traffic, in spite of the fact—I want to give this statement all the emphasis within my command—in spite of the fact that in a single year now we are taking in, as our share of the liquor profits, more than the amount that would be required to buy outright every brewery and distillery between the Atlantic and the Pacific, the Mexican border and the Canadian line!

And I am not advocating that we buy out the breweries and distilleries. I am merely asserting that the most elemental principles of honesty and justice and equity and morality require that out of our vast hoard of whisky wealth we part with enough to salvage the losses incident to converting those plants, warehouses, etc., to other commercial purposes, and to cover, at cost plus reasonable contemplated profit, stocks now on hand.

We, the people, the general public, the profiteers in booze, have been the real rum sellers of this country, and unpleasant as the fact may be, no man can successfully deny it. Not only are we morally and legally entirely responsible for the existence of the legalized liquor traffic and all that may have resulted from it, and therefore financially obligated to a return of an infinitesimal part of our liquor profits as compensation for properties destroyed through abolition of the business, but, as Senator Sheppard so eloquently put it, "We are as much the authors of woe and misery and ruin as any follower of Alaric, who immersed his sword in the blood of mothers and babes."

Mr. Chairman, and gentlemen of this committee, I am opposed to this amendment for the reason that the sort of prohibition which it proposes, without any arrangement whatever for reimbursement for the property losses caused thereby, it outright confiscation to the exact extent that it would diminish the income from, depreciate the value of, or destroy the investments in, properties lawfully acquired for, and now used in, the legalized liquor business; and it matters not that existing statutes may permit it, such confiscation is contrary to the spirit of law, the principles of morality, the precepts of honesty, and the requirements of justice.

I repeat that in its present form the amendment fails to meet the requirements of plain justice. It suggests a dangerous doctrine which, once established as a process of law, easily and logically might be applied to any other legal business. It proposes a grave and an unjustified wrong in the name of high moral purpose and the cause of economic conservation. It is selfish subterfuge and an attempt to evade a clear obligation. It is in utter violation of all the natural laws of equity and honesty. In addition to all its other faults and weaknesses it is inherently wrong in that it seeks to compel national prohibition through the necessity that exists for an emergency appropriation to one of the governmental departments. The proposition is indefensible. Upon those grounds I hope and I believe that the committee will reject it.

I thank you for the time you have given me, and I shall be glad to answer any questions that any of the members of the committee may care to ask.

# FOOD PRODUCTION ACT, 1919.

TUESDAY, JUNE 25, 1918.

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY,  
*Washington, D. C.*

The committee met, pursuant to adjournment, at 10 o'clock a. m., in Room 326, Senate Office Building, Senator Thomas P. Gore (chairman) presiding.

Present: Senators Gore, Smith of South Carolina, Sheppard, Thompson, Johnson, Kendrick, Gronna, and Kenyon.

The CHAIRMAN. The object of the meeting, as the committee is aware, is to have hearings on the Jones amendment to the food-production bill, which relates to prohibition in respect to wine, whisky, and beer.

The representatives of the Bankers' Association have requested to be heard, and I have promised to hear them first. They have said it would take only a few minutes. Is Mr. Johnston here?

**STATEMENT OF MR. PERCY H. JOHNSTON, VICE PRESIDENT CHEMICAL NATIONAL BANK OF NEW YORK, CHAIRMAN OF BANKERS' COMMITTEE ON H. R. 11945, NEW YORK CITY, N. Y.**

Mr. JOHNSTON. Yes, sir.

The CHAIRMAN. What is your residence, Mr. Johnston?

Mr. JOHNSTON. New York.

The CHAIRMAN. Are you connected with any bankers' organization, or do you speak for any aggregation of bankers?

Mr. JOHNSTON. I do, Senator.

The CHAIRMAN. State what that is, sir.

Mr. JOHNSTON. I am vice president of the Chemical National Bank of New York, interested in the banking business in Kentucky, my native State; and chairman of a bankers' committee that was organized early last summer, about the time the Smoot amendment was introduced in the Senate affecting the situation as to whisky in bonded warehouses.

The CHAIRMAN. As I understand it, you wish to speak to the point as to what effect immediate prohibition will have on bank credits based on whisky warehouse receipts?

Mr. JOHNSTON. Yes, sir; and also on open accounts.

The CHAIRMAN. Proceed in your own way, and submit to the committee whatever you have to say.

Mr. JOHNSTON. Mr. Chairman and gentlemen of the committee, I should like first to have you know that I am not really what you



would term a New York banker, as I have only been over there 8 or 10 months. My banking experience was gained in Kentucky. I spent six years as national bank examiner, working on both the Atlantic and Pacific coasts, the Great Lakes region, and the Southern and Gulf States. I do not mention this with any idea of giving myself a recommendation, but only that you may have a yardstick with which to measure the value of what I say.

Last summer—I was at that time in Louisville as vice president of one of the banks there—the amendment known as the Smoot amendment was introduced in the Senate, and we had a committee of bankers from Cincinnati, Louisville, Baltimore, Pittsburgh, New York, and other cities who came over to Washington at that time. We laid the matter before an informal hearing of the Senate Finance Committee and before a formal hearing of the Ways and Means Committee of the House, at which the members of the House Committee on Agriculture were present.

We came away from Washington pretty well convinced that it was just a question of time until prohibition prevailed in the country; that the distillation of alcoholic beverages was going to be discontinued; that the constitutional amendment would eventually be ratified by all the States, or by a sufficient number, and that within 12 months after it had been ratified it would become operative. We felt at that time that we would give the business a reasonable time to work itself out.

I will now proceed to make a general statement which I have prepared:

In asking for this hearing before your committee, we are actuated by no other motive than that of protecting our respective banking institutions.

If the Jones amendment is passed and becomes operative, we view with apprehension and great alarm what to many individuals, firms, corporations, and banks will be a financial catastrophe. The enacting of this legislation would throw thousands of individuals, firms, and corporations into bankruptcy, and the losses resulting therefrom would be most severe and in the aggregate a very large amount.

We should like to have it clearly understood that this committee of bankers in no way represents the distilling or liquor interest, but was hurriedly gotten together for the preservation of our own banking institutions. It is not the purpose of this committee to enter into any discussion concerning the prohibition question, but to deal solely with the amendment under consideration and just how it will affect not only our banking institutions but banking institutions in general and the financial welfare of the country.

It is estimated by sources considered reliable that there are in existence in this country whiskies, gins, wines, and other alcoholic liquors between 200,000,000 and 250,000,000 of gallons, representing a property valuation of something like \$500,000,000. Against this \$500,000,000, as a basis of credit, there are outstanding obligations in the way of bank and trade indebtedness amounts that we believe will aggregate from \$200,000,000 to \$250,000,000, and if the Jones amendment becomes operative the security back of this indebtedness will become as worthless as if it were all consumed by a great conflagration without any insurance whatever on the same. Five hundred million dollars in property values can not be destroyed without

seriously affecting our entire credit structure, as the business is more or less interwoven with a great many other lines of business, and the disastrous effects will be widespread and great. The legislation would result in thousands of bankruptcies, and the absolute ruining financially not only of the people directly engaged in the business but also of thousands of shareholders, a large number of whom are women and children.

The inventories of many large wholesale and retail drug stores and grocery stores include large amounts in property values of alcoholic beverages. As to how far reaching the calamity would be no one is in position to tell.

Until the last year or two bankers have looked with favor upon the bonded warehouse receipt for whisky as a safe credit instrument, relying on the fact that the distiller had an eight-year period in which to withdraw such whiskies from the bonded warehouse, and inasmuch as he had been licensed by the Federal Government to manufacture whisky and that it was manufactured under the direct supervision of the Government and stored in warehouses under the Government's sole custody and control and further that the distiller, as a guarantee on his part for the faithful performance of the contract (namely the withdrawal of the whisky at the end of the eight-year period) has furnished the Government with indemnifying bonds with approved security, we have been led to believe that in effect the contract was as binding on the Government as on the distiller, and we have not heretofore, or we might say prior to the recent proposed legislation, ever even considered that very drastic legislation would be enacted that in effect would change the preexisting conditions and place in great danger our large extensions of credit.

No doubt you gentlemen have taken into consideration the fact that the Government will lose at least \$1,000,000,000 in taxes if this amendment becomes operative, and we only mention this in passing as our real mission is to lay clearly before you how seriously our banking institutions will be affected by the legislation.

Many of the wholesale and retail dealers in alcoholic beverages, as well as many wholesale and retail grocers and drug stores have borrowed large amounts of money during the past sixty days in order to pay the floor tax, which became effective in May. These companies in turn have not had the opportunity of disposing of their stocks of goods and consequently are still indebted heavily to the banks also in connection with the floor tax payments.

We admit to you very frankly that bankers generally are of the opinion that prohibition will eventually be in full operation in this country, but we have been more or less inclined to believe that it would come by the respective States ratifying the constitutional amendment, which would give the people engaged in the business twelve months' time for adjustment after the requisite number of States had voted on the ratification. If the business were liquidated in this manner, there would be sufficient opportunity for the people engaged in the business to liquidate in an orderly manner and the large losses avoided that would result from any hurried liquidation such as is contemplated in the Jones amendment. Any legislation such as contemplated by the bill under discussion does nothing short of confiscating the property, and if drastic legislation of this character is enacted it seems to us that as a matter of common fairness

and justice such legislation should carry with it a provision to reimburse everyone affected at least to the cost of the goods to the respective owners.

To sum up, let us visualize what will be the consequences, both to the holders of the loans and the trade creditors, if \$250,000,000 of indebtedness can not be paid at a time when business is already keyed up to the straining point. Any pulling from under this structure of a substantial credit-prop might have a very far-reaching effect.

Senator THOMPSON. Mr. Johnston, if this was to extend the time to go into effect in three or four months, would that cover your point?

Mr. JOHNSTON. I do not think it would. It is estimated there is about a 15 months' or 16 months' normal supply.

Senator THOMPSON. But your paper does not run that long?

Mr. JOHNSTON. I have estimated 12 months after the States have ratified the amendment.

Senator THOMPSON. Would not that be covered by making it 12 months?

Mr. JOHNSTON. That would help. There would still be probably one-third of it left.

Senator THOMPSON. What would you say about January 1; would that do?

Mr. JOHNSTON. I do not think it would. I think it would be a very heavy loss. I would not like to mention any names, but I would say to any member of this committee, not for the record, that I know of numbers of banks that will go into the hands of receivers if this Jones amendment becomes operative.

Senator THOMPSON. Because of the paper they hold?

Mr. JOHNSTON. Because of the paper they hold.

Senator THOMPSON. Paper of the whisky men?

Mr. JOHNSTON. Yes; I know of a large number of wholesale grocery houses and drug houses that will go into the hands of receivers, on that account.

Senator THOMPSON. Do you hold any paper from the brewers?

Mr. JOHNSTON. Not a dollar from the brewers. But we have loaned and other banks have loaned heavily to wholesale drug stores and grocery houses to pay floor tax.

Senator THOMPSON. The banks would not have any objection to the beer proposition, would they?

Mr. JOHNSTON. None whatever. We would not have any objection to this bill if we could provide for the loss. I think most of the men on this bankers' committee are what you might term "prohibitionists." But this business has been in existence for a hundred years, and bank credit has naturally been sought and furnished during that time.

After we were down in Washington last summer, the bankers talked it over, and we estimated that by the time the constitutional amendment was ratified, with the stopping of the distillation of whisky, which we were all glad of, that it would give the whisky a chance to move out. Under the Jones amendment, as I understand it, you can not move a barrel across the street, can not export it, you can not sell it locally, you can not take it out of the warehouse, and can not do anything with it.

Senator THOMPSON. Your objection is to preventing the sale of whisky during the war?



Mr. JOHNSTON. Yes, sir. We think if the Government passes this drastic restriction it should make a provision, if it is necessary—because this, after all, is confiscation of property in a polite way.

Senator THOMPSON. If we gave the right to redistill it and use it for war purposes instead of destructive purposes, would it not be satisfactory?

Mr. JOHNSTON. I think the loss would still be very heavy. Of course, I can not speak of the technical end as to how much alcohol could be gotten out of a gallon of whisky.

Senator JOHNSON. How much would you estimate the loss, following out the Senator's idea?

Mr. JOHNSTON. Redistillation?

Senator JOHNSON. Redistillation.

Mr. JOHNSTON. I have heard it said that three gallons of whisky would redistill one gallon of alcohol. I would not want to make that statement as an expert.

Senator THOMPSON. That would be some saving?

Senator GRONNA. I think I should say to you, in fairness, that I do not think the committee has agreed upon any specific form of the Jones amendment as to whisky. I want to ask you a few questions: If the people who are engaged in the business of selling distilled liquors were given time to dispose of the present stock, either by sale here or export to foreign countries, would your committee have any objection to this legislation?

Mr. JOHNSTON. We would welcome it with open arms. I think the bankers would be glad to see the business go out of existence. I say that very frankly. But we want to get out of it without a loss to ourselves.

Senator GRONNA. You have \$200,000,000 invested, as you say, in \$500,000,000 worth of liquor?

Mr. JOHNSTON. That is about the amount of credit out against it—about \$250,000,000 credit outstanding of bank indebtedness, open account?

Senator SMITH of South Carolina. About what length of time do you think it would take to enable the bankers to liquidate their holdings to get out without a loss?

Mr. JOHNSTON. I think about 15 months would let the bankers out without any loss.

Senator SMITH of South Carolina. The reason that I asked that is that I have an estimate from the Commissioner of Internal Revenue to the effect that there was in bond, September 1, 1917, of distilled spirits 183,372,520 gallons.

Mr. JOHNSTON. It is much less than that now.

Senator SMITH of South Carolina. Withdrawn from September 1, 1917, to April 1, 1918, 35,310,523 gallons; difference due to use of materials in bond when the prohibition law was passed last year. I presume he means by that that the excess amount that has been used for redistillation as well as of clamor on the part of the thirsty to provide against a dry period.

Senator GRONNA. Now, if I may complete my question?

The CHAIRMAN. Yes, sir.

Senator GRONNA. If you have \$500,000,000 worth, or \$2 to \$1, figuring the intrinsic value of whiskey for the loans, then you also have the credit of the men who are engaged in the industry, do you not?

Mr. JOHNSTON. If it is an individual, we have. Of course, if it is a corporation, we do not have the personal credit of the people engaged in it.

Senator GRONNA. Would you have the credit of the corporation?

Mr. JOHNSTON. Whatever the corporation was indebted.

Senator GRONNA. As a matter of fact, your paper does not run to exceed 90 days, does it?

Mr. JOHNSTON. Oh, no; four months is the maximum.

Senator GRONNA. Why, then, would it not be sufficient if these people were given four months' time to dispose of this product?

Mr. JOHNSTON. Who are they going to sell it to?

Senator GRONNA. There would be no trouble, I think, about selling.

Mr. JOHNSTON. I think if the legislation is going to become effective within four months and the country becomes dry there would be very much purchasing, because every one would be stranded and it would break the market very greatly.

Senator GRONNA. They would only need to sell half of it to pay you people up?

Mr. JOHNSTON. If they could get present prices for it.

Senator GRONNA. They could sell half of it and keep the balance until after the war?

Mr. JOHNSTON. If they could sell for present prices, but they could not sell for present prices. This contemplated legislation has absolutely paralyzed the selling market.

Senator KENYON. The selling prices have been pretty high?

Mr. JOHNSTON. Sixty days ago it could hardly be bought, we learn from whiskey brokers and others in the business, and now you can not find one who will buy it from you.

Senator GRONNA. Supposing that the bill should be modified so as to give the liquor interests four months to dispose of the liquor, would you still say this legislation would ruin the banks?

Mr. JOHNSTON. Yes, sir.

Senator GRONNA. It still would close your banks?

Mr. JOHNSTON. Yes; I think it would. I think banks are very heavily loaded up on it, and very many would fail, because if they only had four months to dispose of the liquor there would be a stampede of everyone who had whisky to get rid of it.

Senator GRONNA. Supposing we made it six months?

Mr. JOHNSTON. The longer you made it the better. I do not think we can get out under 15 months.

Senator GRONNA. It would almost look to me, as a financier in a small way, that you are practically carrying the whisky business, because if there is not enough money invested by the men engaged in it you are really liquor men.

Mr. JOHNSTON. That is true of the beef business. If you stop selling beef by the Armours, Cudahy, and Swift, and they could not get any money, it might be said we were in the same business; take, again, the big tobacco companies—the American Tobacco Co., Lorillard, and the Dukes, if they were stopped from selling tobacco, and could not get any money—

Senator GRONNA. Yes, but if you give them time to dispose of the stock on hand—

Mr. JOHNSTON (interposing). There would be sellers and no buyers.

Senator KENYON. This bill only covers whisky for beverage purposes.

Senator GRONNA. Why do you think there would be no buyers?

Mr. JOHNSTON. If the bone-dry prohibition was going to become effective in four months—just assuming that for the sake of argument—I do not know who would want to buy any whisky. The man who is retailing it would figure down to the last gallon he could get along with so that he would not have any on hand when that went into effect.

Senator GRONNA. In making these extensive loans, you must have direct knowledge as to the amount that can be disposed of in a month. How much liquor do they ordinarily dispose of in a month?

Mr. JOHNSTON. I think the Internal Revenue Commissioner's report shows withdrawals of 7,500,000 to 10,000,000 gallons a month. Estimating that there is 200,000,000 gallons on hand, it would take at least 15 months.

The banks have been especially hard hit, because during the last 60 days, as I have stated, they have loaned large amounts of money to people to pay this floor tax. People who had whisky at the bonded warehouses came in and wanted hundreds of thousands of dollars. The tax became operative on the stocks on the floor from 3.10 to 3.20 and they borrowed the money to pay that—large grocery houses, wholesale drug stores, and retail and chain drug stores. They have borrowed the money to pay the tax. The Government has the tax. If they stop them from selling, they are going to lose. People in the business are going to lose much because they are going to lose everything they have; and then the people we extended credit to are going to come next, because our loans are on collateral. Then, if we have the whisky on hand until the end of the war, it is an awful big question to market it. We will have to look after it ourselves. The distiller will not have any interest in keeping the barrels corked to prevent leaking, and then if the war lasted only 60 days, and the States ratified the constitutional amendment and it would have become operative, we would still have the whisky on hand. We will not have any chance to get out from underneath.

Senator GRONNA. I think it is almost conceded—I am speaking for myself at any rate—that the distillers would be permitted to export, because we are exporting grain now to foreign countries, and those countries are using grain in the manufacture of alcoholic liquors?

Mr. JOHNSTON. Yes; of course, the foreign countries would pay their own price. We would have so much here—the market has absolutely died out on the other side, because they know we have legislation pending that is likely to reduce the price, and they are holding off from buying. There is quite a heavy sale ordinarily during the spring months, probably 50,000 or 100,000 barrels of whisky bought by English interests.

Senator GRONNA. Of course, we can not legislate to prohibit the manufacture of alcoholic liquors in foreign countries, and if they are going to use our grain for foreign manufacture we might just as well use the liquor here and get rid of it.

Mr. JOHNSTON. Of course, this whisky has been made. We understand this as a food bill. I do not think there would be any food.



labor, or anything else consumed, because the liquor is already on hand. The bill which became operative last November absolutely stopped all manufacture.

Senator GRONNA. I think some of us think it would save more than that—that it would save man-power to get rid of the whisky.

Mr. JOHNSTON. I will not argue that side of the question at all. I want to get clearly before you that it is of big financial interest to the banks, and that we are going to have big losses and receiverships facing us. The particular bank I am with happens to a very strong institution and we are expecting big losses; and there are banks which has as much as 70 per cent assets in this class of paper.

Senator JOHNSON. Mr. Johnston, is it your opinion by the time the banks got rid of that bonded indebtedness the liquor men would be largely rid of their liquor?

Mr. JOHNSTON. I think so; yes, sir.

Senator JOHNSON. How long do you think that would be?

Mr. JOHNSTON. Some of them seem to think 18 months or 2 years. I think myself in 15 months the banks would be on safe ground.

The CHAIRMAN. Have the banks been reefing their sails and getting ready for this since prohibition came in sight? I mean since the constitutional amendment has been pending.

Mr. JOHNSTON. Yes; since the constitutional amendment has been pending, the banks have all kept constantly before them that within a certain time, assuming that by next spring a sufficient number of States would have ratified this amendment, and then 12 months more, the banks have figured out just about how long it would take for the natural consumption, with the intention of getting out. Personally I feel that within 12 months the saloonkeeper will be going out of business because he will not have anything to sell; that liquor will get so high that the small saloonkeeper can not lay in a stock, and naturally they will begin to go out of business irrespective of legislation.

The CHAIRMAN. Have the banks assumed that there would be no other legislation?

Mr. JOHNSON. Yes, sir; we were very much surprised when this came up. When we left Washington last July, after having these hearings, we left feeling that prohibition was coming; that it was coming by the ratification of the amendment, and we felt that we could go along with the business, gradually liquidating and getting out, until the law became operative, and we would be rid of it entirely.

Now, Senator, I have some telegrams that I would like to put into the record.

The CHAIRMAN. You may file them and they will be printed as part of your statement.

(The telegrams referred to follow:)

LOUISVILLE, KY., June 24, 1918.

PERCY H. JOHNSON,  
*Chemical National Bank, New York.*

Absolutely impossible for Louisville Clearing House to be represented at hearing to-morrow, regret this very much. Advices received too late Saturday to be able to make arrangements.

EMBRY L. SWEARINGEN,  
*President Louisville Clearing House.*

OWENSBORO, KY., June 24.

PERCY H. JOHNSON,

*Senate Agriculture Committee, Washington, D. C.*

We want to enter our protest against the bill to prohibit the withdrawal of whiskey such a law would cripple business in this community.

UNITED STATES NATL. BANK.

BARDSTOWN, KY., June 24, 1918.

PERCY H. JOHNSON,

*Senate Agriculture Committee, Washington, D. C.*

Glad you are to appear before Senate Agricultural Committee on behalf of banks holding whiskey warehouse receipts any legislation prohibiting withdrawals of whiskey would be ruinous to banks of Kentucky which have millions loaned on these receipts. Banks are now using all their resources to finance the Government any legislation along the line contemplated would so cripple banks that their ability to serve both the Government and the people would be materially impaired and in many cases their doors closed.

PEOPLES BANK,  
WILSON AND MUIR BANKERS,  
FARMERS BANK AND TRUST CO.

The CHAIRMAN. Mr. Hurley, if you are ready, you may proceed.

# STATEMENT OF HON. EDWARD N. HURLEY, CHAIRMAN OF THE UNITED STATES SHIPPING BOARD.

Mr. HURLEY. Mr. Chairman, if you and the committee will indulge me, I will read a brief statement which I have prepared with a view to reducing the possibility of being misunderstood on an issue of grave importance to the morale of the shipyard workers.

If merely private interests were affected, I have no hesitancy in saying that I would welcome the prohibition experiment. Any temporary disorganization it might cause would have its compensation. It is not private business, but the country's business, in a great war emergency with which I am concerned, and I am unwilling at this crisis to stand sponsor for any experiment with the personal liberty of nearly a half million men in the shipyards and contributing industries, on whom we are relying to put through the biggest ship-building program in the history of this or any other Nation.

If anyone tried to tell me that men work better with the stimulus provided by liquor I would simply say that the shipyards in Oregon and Washington, where the employees are without such stimulant, are doing as good work. If the argument were made that the workmen in a wet district turned out a steel ship in 27 days, and that because of this it might be well to give light wines and beer to the workmen in Oregon and Washington, I would brush such an argument away as the offspring of folly. I would oppose an experiment of that kind in Oregon and Washington, just as earnestly as I oppose the experiment that is proposed. Fortunately in the two States I have mentioned the sentiment of the workmen was prepared by a long election contest in which the workmen had an opportunity to vote on the question. However they may have voted, there was at least a quality of sportsmanship in abiding by the result.

All the States are now having what virtually amounts to a referendum on the constitutional amendment which is pending before the

legislature. If the States act favorably upon it, the workmen can have no feeling that there has been a lack of fair play. The results sought by the proposal before the Senate Committee then would be achieved gradually and with ample notice for the accommodation of habits and temperament.

To my mind there is more risk in this proposal than there would be in the conscription of labor, because it is a partial interference with liberty without any increase of control. I have opposed the conscription of labor because I have thought that we should, as long as it may be possible, rely on the voluntary and patriotic cooperation of American labor.

I realize that unscrupulous and selfish interests, thinking only of private gain, may seek to use the conscientious officials solely for their own purposes. That is one of the penalties we must pay for frankness in an issue which has only one moral side, but if the committee was fully aware of the pains we have taken to produce the right spirit and complete unity in the shipyards; if the committee were fully aware of the advantage the Nation derived from such unity and singleness of purpose, I believe the members would refrain from reporting a measure which will lead to contention. The sudden taking away of light wines and beer from the foreign elements in the yards, of which there are a very large proportion, will, I am sure, have a wrenching effect on the whole program. It will set men talking of the wisdom of such a move. It will puzzle thousands of our temperate, foreign-born citizens who are accustomed merely to a glass of beer or a glass of wine with their meals. None of the shipyards are able to tolerate employees who over-indulge in stimulents. Such men are eliminated automatically. The chief effect, then, will be to call a sudden halt upon a part of the daily routine of hard-working and sober men.

One of the greatest difficulties we have had to combat was the constant turn-over of labor. We have been improving that situation gradually, and we are worried lest this proposed experiment may cause additional unrest. As I have said, if this were a matter that affected a manufacturing business of my own I would take whatever chances and consequences there might be and rebuild with the calmness of conviction. Even as a private employer I would not attempt any paternal experiments with the habits of my employees at the height of the rush season. As a prudent man I should wait for the dull season, so that the result of the experiment, if unsatisfactory, would not be disastrous to essential top speed production. But in this great public enterprise we can not take any chances. We can not pause to make men over or to create new standards of living. We can not pause to debate our infirmities, to stir up new antagonism, to try experiments. No nation engaged in this world war, either allied or enemy, has attempted such experiment. The German Government, master in its lack of feeling and cruel efficiency, ignoring the individual except as a part of its military science, has not made the experiment; nor has England, fighting for its freedom, or France, fighting for its very life. Nor can we, gentlemen, afford to experiment with a nation's destiny. We have had our backs to the wall, and only now are beginning to give blow for blow. The German submarine set out to blow our small merchant fleet out of the seas,



and responding to the Nation's call for ships, the workmen in the yards have been breaking all records of the world in ship building. The men are filled with enthusiasm. They will this year more than treble the output of last year, which was the banner year of our history. We know what is happening now, and to put it frankly and simply, we do not know what would happen under the proposed experiment. We fear that the work of the moment is too important for the diversion of entering into a controversy over the frailties of human nature. We have got to put all the smash and drive we have into this war. We have got to fight and fight and still fight, with every muscle straining, and put aside nonessential experimenting if we are to wring victory from the Hun.

Senator GRONNA. Mr. Hurley, am I right in supposing that you understand that in the shipyards where prohibition has been in effect that it has been successful?

Mr. HURLEY. In Oregon and Washington?

Senator GRONNA. Or wherever they have had it.

Mr. HURLEY. Yes, sir.

Senator GRONNA. Now I want to call attention to just one short paragraph from a letter from 12 large manufacturers in the city of Detroit, where prohibition went into effect on the 1st of May. They say this:

There is no division of opinion among our leaders. They are unanimous in giving emphatic testimony to the wonderful benefits that prohibition is producing. Our big concerns are reporting fewer absentees of men, fewer accidents, greater unity, and higher efficiency on the part of their employees. Their men come to work now with clear heads and steady hands on Monday mornings and after holidays.

Now, is it reasonable to suppose that what has taken place in the State of Michigan would also be possible in our large shipyards where whisky is now being distributed?

Mr. HURLEY. I think it would work out in time.

Senator GRONNA. Well, is it your opinion then that—of course, I heard what you said in your paper. You elaborated on it, but is it your opinion then that if the Jones amendment should go into effect, so that ultimately laboring men could not get their beer or light wine, that it would disastrously disorganize labor?

Mr. HURLEY. It may.

Senator GRONNA. What do you base that statement upon?

Mr. HURLEY. Well, Senator, after 11 months on the Shipping Board and dealing with the labor situation, which was very acute and very serious the first five or six months—we went through many trials and troubles, and we tried to encourage the men in any manner that we could. We tried to please them. We tried to create a feeling of enthusiasm in order to arouse them to the need of ships, and I feel that we have reached that point to-day.

Senator GRONNA. I have no doubt, Mr. Hurley, but what the board has done the best it possibly could, but here is the question with us now: By gradually taking away from them this beer would it result disastrously to shipbuilding?

Mr. HURLEY. I do not know. I do not want to take any chances. My position has been rather trying, and I do not want anything to interfere with this shipbuilding program.

Senator GRONNA. Then you are giving it only as an opinion, not based upon any experience or facts?

Mr. HURLEY. No; I do not want to take any chances.

Senator THOMPSON. In any of the shipyards where prohibition exists and where they have not beer, you haven't any fault to find at all with the organization there?

Mr. HURLEY. I haven't any fault to find with any organization or any shipyards in the United States—with the workmen.

Senator THOMPSON. With the efficiency in any of the yards where they have prohibition now there can not be any possible fault to find?

Mr. HURLEY. Yes; we have a great many yards on the Pacific Coast and on the Atlantic Coast, and in every section there are inefficients.

Senator THOMPSON. But you do not attribute it to the lack of beer or whisky?

Mr. HURLEY. No; I haven't taken that into consideration at all. We are going to work it out from a practical business standpoint.

Senator THOMPSON. You can not trace it to that, can you?

Mr. HURLEY. No.

Senator THOMPSON. About how many shipbuilding yards have you now?

Mr. HURLEY. We have 157.

Senator THOMPSON. Do you know how many are in prohibition localities?

Mr. HURLEY. No.

Senator THOMPSON. Can you see any difference in the prohibition localities and those where they have whisky or beer?

Mr. HURLEY. No; we get just as much efficiency out of the Atlantic as out of the Pacific.

Senator GRONNA. Mr. Chairman, there is a Mr. Kresge, of Detroit, who would like to ask a question of Mr. Hurley.

The CHAIRMAN. Very well.

Mr. S. S. KRESGE, of Detroit, Mich. Mr. Hurley, did you receive a telegram from Mr. John R. Russell, President of the Great Lakes Engineering Co., Detroit, Saturday?

Mr. HURLEY. Yes.

Mr. KRESGE. And one from M. E. Farr, President of the Detroit Shipbuilding Co., and the American Shipbuilding Co.?

Mr. HURLEY. Not from Mr. Farr. I received one from Mr. Russell.

Mr. KRESGE. Will you read that, please, to this committee?

Mr. HURLEY. Yes; I will be very glad to. This telegram is dated:

DETROIT, June 22.

EDWARD N. HURLEY,

*Chairman United States Shipping Board:*

We have shipbuildings plants in Detroit, La Crosse, and Ashtabula, and know positively that the morale and efficiency of our men has been improved by the change from so-called wet to dry conditions. At conference to-day of our executive officers, general managers, and superintendents of various plants, serious objections was raised by all present to modification in any way of prohibitory laws now in effect this State. If any statutory permission is given for sale of beer and light wines in neighborhood of our yards, it will positively impair program for delivery of ships we have promised to Shipping Board. We are confident large majority of our employees would concur in the

expression of opinion. Prohibition has had such a signal success in improving ship output in Michigan that similar legislation absolutely required, in our opinion, to enable Shipping Board to carry out its war program for production.

We are firmly in favor of the Jones amendment to the food efficiency bill.

GREAT LAKES ENGINEERING WORKS,  
J. R. RUSSELL, *President*.

Senator KENYON. Mr. Hurley, I want to ask you just a question or two. I want to premise them by saying that no member of this committee wants to do anything to injure our shipping program. We believe you have done splendid work.

Your objection, as I understand it from your statement, is that the men in certain of the shipping yards will become dissatisfied because of the feeling that this interferes with their personal liberty? That is the basis of your objection, is it not?

Mr. HURLEY. They may feel that way.

Senator KENYON. Can you say what proportion of the men, the employees in the shipyards, are in wet territory?

Mr. HURLEY. No; I haven't the figures on that, Senator.

Senator KENYON. Can you give us the proportion, whether it is one-half or 40 per cent?

Mr. COLBY. I can give you those figures, Mr. Hurley.

Mr. HURLEY. Mr. Colby has those figures. Total number of employees, all shipyards, dry States. 103,000; local-option States, 21,000; making a total of 125,265.

Senator KENYON. Dry territory?

Mr. HURLEY. Yes, sir; in wet States, 96,000. The total number in dry States is 125,265; wet States 209,157, making a total of 334,422.

Senator SMITH of South Carolina. Mr. Hurley, did I understand you to draw the distinction between those States that are wet in which you have shipyards, where prohibition was brought on by a vote and therefore the employees and the people were prepared, and this being their own local option, as distinguished from an act of Congress without their participating act, as expressing their ideas and opinions?

Mr. HURLEY. That is my understanding, and that is my main thought.

Senator SMITH of South Carolina. And on that ground you are afraid that there would be dissatisfaction and unrest among your employees, because it was brought about by that means rather than by having been submitted to them?

Mr. HURLEY. Yes, sir.

Senator KENYON. Now, Mr. Hurley, I want to complete an inquiry or two.

What are the average wages in those shipyards? Can you give us any idea?

Mr. HURLEY. The average, no; because they vary somewhat and there are so many different scales.

Senator KENYON. They are very high wages, are they not?

Mr. HURLEY. They are very high wages. They are all about the same in amount. They vary a little between the Pacific coast and the Atlantic coast. Some of them who work on piece work get very high wages.

Senator KENYON. How high wages do some of the men make?



Mr. HURLEY. Some of the men make 50, or 60, or 75 dollars a week.

Senator KENYON. Now you realize, of course, the necessity of food production is just as important as shipping, and it is just as important, is it not, that the people raising foodstuffs in this country should not become dissatisfied as well as the men in the yards?

Mr. HURLEY. I appreciate that.

Senator KENYON. And don't you appreciate, Mr. Hurley, that while the men in the yards may become dissatisfied to some extent that the food producers of the country to a large extent are becoming dissatisfied in having what they raise go into what they consider, whether wisely or not, is a nonessential? So you have those conflicting dissatisfactions of the country, haven't you?

Mr. HURLEY. That is natural.

Senator KENYON. Now what do you, in your opinion, taking into consideration the dissatisfaction that is growing up among producers, where they are instructed—and want to do so—to save and economize and save on foodstuffs, to have it then going into the manufacture of intoxicating liquors?

Mr. HURLEY. Well, from that point of view they have a right to complain.

Senator KENYON. And isn't it just as essential to maintain the good spirit of those people as it is the men working in shipyards for the success of the war?

Mr. HURLEY. I do not think that the spirit of the producer of food is as important as the spirit of the workmen in the shipyards.

Senator KENYON. You don't think so.

Mr. HURLEY. I think this: I do not think it is trying on the Government to regulate that part of it. Labor during these times is very hard to handle—and I am speaking from my own personal experience—while they are all right now, and if we only had 10,000 men in a wet State, I would want those 10,000 men working and I would not want anything to interfere with their work, and I would not want to create a feeling of unrest. I don't know what their feelings are.

Senator KENYON. But if to stop the feeling of unrest among those 10,000 would it be wise to create a feeling of unrest among the million producers?

Mr. HURLEY. I don't know to what extent the feeling of unrest exists with the farmers and the people who produce wheat and food.

Senator KENYON. Have you investigated that at all?

Mr. HURLEY. No, I have not. I am only looking at one side of this thing.

Senator KENYON. Don't you think it is wise to look at both sides? We are all interested in the same thing, not injuring the conduct of this war.

Mr. HURLEY. Well, I do not know anything about what the food production will be this year, whether it is going to be short or is going to be plentiful. If it is as large as some people think, I do not think there is very much chance to have any unrest on the part of the food producer.

Senator KENYON. But, even with the large wages, you think, to take away the beer will produce unrest?

Mr. HURLEY. It is liable to.

Senator KENYON. Your experience so far, is it not, is that you have more efficiency in the shipyards in the dry territory than in the wet territory?

Mr. HURLEY. I don't think that is a statement that we can back up with figures.

Senator KENYON. Well, who is Mr. Piez?

Mr. HURLEY He is vice president of the Emergency Fleet Corporation

Senator KENYON. Have you ever read his testimony before the subcommittee of the House Committee on Appropriations?

Mr. HURLEY. I am fairly familiar with it.

Senator KENYON. Let me read a little of that to you. He is being questioned about the situation:

The CHAIRMAN. In that connection, do they get the same ton-output per man on the Atlantic and on the Pacific?

Mr. PIEZ. No.

The CHAIRMAN. Which is the larger?

Mr. PIEZ. It is larger on the Pacific than the Atlantic.

The CHAIRMAN. What do you estimate your tonnage output per man on the two oceans?

Mr. PIEZ. About 20 to 14, from such data as we are able to give.

The CHAIRMAN. What is the English output?

Mr. PIEZ. Ten.

The CHAIRMAN. Now?

Mr. PIEZ. I do not know as to that. That was the last reported output.

Now, your yards on the Pacific, outside of California, are in dry territory, are they not?

Mr. HURLEY. Oregon and Washington are dry; yes, sir.

Senator KENYON. And you are getting more tonnage per man than on the Atlantic coast?

Mr. HURLEY. I don't think so.

Senator KENYON. You think that statement is incorrect?

Mr. HURLEY. No, sir; I don't doubt that he had in mind the Skinner Eddy Yard, which has been a very unusual yard and very successful. Now, we have several yards out out in the dry territory that are absolute failures and which the Government had to take over. The Sloan Yard was a failure, and being in a dry district the men were not responsible for that. About 50 per cent of it, Senator, is efficient management, whether it is in dry territory or wet territory. You can not get such men to work in dry territory or wet territory unless the institution is properly managed.

Senator KENYON. Have you had any failures in wet territory?

Mr. HURLEY. And the climate has a great deal to do with it; in San Francisco, for example. In Washington, Oregon, and California the men can turn out more. They work about eight or nine months on the Atlantic coast and they work 12 months in the year on the Pacific coast. You naturally get more per ton out of a man there than you would in a climate where it is snowing and raining and is cold weather.

Senator KENYON. You publish the Emergency Fleet News, do you not?

Mr. HURLEY. Yes, sir.

Senator KENYON. And the statements in that are fairly authentic, aren't they?

Mr. HURLEY. They should be.

Senator KENYON. I will ask to put into the record now, from the Emergency Fleet News, of Washington, Monday, March 11, 1918, an article on page 6, entitled "Coast yard sets high speed building."

The CHAIRMAN. Very well; that may go in.

(The article referred to follows:)

SKINNER & EDDY YARD DELIVERS SPEEDY VESSEL TO BOARD.

A telegram has been received by Charles Piez, vice president and general manager of the Emergency Fleet Corporation, from the Skinner & Eddy plant at Seattle, which shows that the Pacific coast is still establishing new records in ship construction.

The message announces that this company at noon February 26 delivered to the Shipping Board the steamship *West Arrow*. This was after a trial trip on which the vessel averaged 13½ knots on a measured course.

At 5 o'clock the same afternoon it launched the steamship *Canoga*. The latter vessel was originally promised for delivery June 21, but so fast is the work going forward that the company hopes to have her completed about March 20, or three months ahead of schedule. This makes a total of seven ships, of 61,160 tons, delivered from the five ways of the Skinner & Eddy plant during the four winter months. Word comes that this concern, which already has established a world's record in launching a ship, is endeavoring to expedite the program still further.

In recognition of the accomplishment, Mr. Piez sent the following telegram—

Senator KENYON. And the telegram from Mr. Piez to the company in relation to their work.

(The telegram referred to follows:)

Greatly appreciate your telegram announcing successful trial trip *West Arrow* and launching steamship *Canoga*. It is needless for me to tell you how gratified the Fleet Corporation is at the great work you are doing. The record on the *Canoga* and the promised delivery are such as to entitle you to the highest commendation.

Senator WADSWORTH. May I ask the Senator if in that telegram or in that article any reference was made to prohibition?

Senator KENYON. No. I also want to put in, from the Emergency Fleet News, of Monday, April 22, an article on page 3, entitled "West still sets pace for country."

(The article referred to follows:)

SKINNER & EDDY CO. DELIVERS ALL CONTRACT VESSELS TO DATE—HEAD OF FIRM CHALLENGES ATLANTIC SHIPYARDS.

West coast builders are still leading the country in actual production of ships for our new merchant marine. The Skinner & Eddy Co., at Seattle, has delivered the only four contract ships completed to date. This record is highly gratifying to the United States Shipping Board Emergency Fleet Corporation, and has resulted in a complimentary message being sent to the company by Daniel H. Cox, head of the Division of Steel Ship Construction. The telegram, sent April 15, reads:

"Congratulations on delivery of the fourth contract vessel. As you know, all contract vessels to date have been delivered by you. We are very much encouraged by your performance and look to you to keep it up. It is particularly gratifying to know that you have delivered this vessel 11½ weeks in advance of your contract schedule date."

I also wish to put in an article on page 9, the part I have marked in blue pencil.

(The article referred to follows:)

Another world's record was broken on March 27 when the steamship *West Grove* glided into the water 70 days (61 working days) after the laying of her



keel. This achievement transfers the blue ribbon from the Skinner & Eddy Corporation to the Columbia River Shipbuilding Co., but the distinction of setting new standards for speed still belongs to the Puget Sound district.

An article on page 10, entitled "Workers on coast show fine spirit." (The article referred to follows:)

EVERY GROUP OF SHIPYARD LABOR ORGANIZATIONS PLEDGES BEST EFFORTS.

"The most significant factor about the Pacific coast shipbuilding industry is the fine spirit that is developing among the workmen," said Meyer Bloomfield, head of the Industrial Service Department of the Emergency Fleet Corporation, on his return recently from an extended tour of the western shipyards.

I have met with every labor group on the Pacific coast, covering all the shipyard trades. In every case the conference wound up with the men sending a personal message to Mr. Hurley and Mr. Piez, pledging their utmost effort and most patriotic cooperation to put the new merchant marine into the water on schedule time.

From the Emergency Fleet News of April 29, on page 2, the article entitled "Pacific riveters lead in averages." I think the table that is given here could not well go into the record, but it shows rivet competition and the ratings of the different yards, showing the Skinner & Eddy Yard to be far ahead of any other.

The CHAIRMAN. What date is that?

Senator KENYON. April 29. I will not ask to have that chart go in the record because I think that is impossible.

The CHAIRMAN. Are there averages or conclusions from comparisons that could be put in?

Senator KENYON. In the same publication of May 6 there is another chart showing the list of 25 ships built in the shortest time in the 25 yards leading in production. Do you remember of your own knowledge which yards had the best record?

Mr. HURLEY. The Union Iron Works and the Skinner & Eddy plant on the Pacific coast. I would like to explain a few matters in connection with the building of ships on the Pacific coast.

Senator KENYON. Let me complete the record, and then we will be very glad to have you do that.

I want to call to your attention, Mr. Hurley, that in this issue an account is given of a banquet held here in Washington of the Emergency Fleet Corporation at the Ebbitt, at which there were representatives from the Pacific coast, among them Mr. Pigott, district supervisor of the Northwest. I think this is an extract from his speech, and I suppose he did not exaggerate at a dry banquet. He said:

We have men working in the shipyards drawn from every profession and every class. We have railroad conductors, and many of our States now being dry, many bartenders and saloon keepers working at the yard.

That might be a good place to secure some additional labor, might it not?

We have hundreds of barbers working in the shipyards.

Then he goes on and speaks of the heterogeneous matter, the raw material that they have been compelled to form into efficient working organizations. That is part of the account of the banquet.

I would also like to put in from the Emergency Fleet News of Monday, May 13, the article on page 8, entitled "Pacific coast tops construction chart."

(The article referred to follows:)

NORTH ATLANTIC SECOND IN COMPARISON BASED ON DEADWEIGHT TONS.

Here is another of a series of graphic charts showing the progress of construction on steel ships.

The first is a comparison of the various divisions of the country—Pacific, North Atlantic, Great Lakes, and Gulf and South Atlantic coasts—selected for this purpose.

The charts shown herewith give a comparison of total construction in dead-weight tons during March, 1918, on all steel ships in course of erection. A similar chart gives the comparison in various districts into which the Fleet Corporation has divided the shipbuilding States, and a third, the comparison between 47 individual shipyards building steel ships for the Fleet Corporation.

It will be noted that this is not an efficiency rating, since no account has been taken of the difference in size of the various yards. Only total tonnage erected is considered. No allowance has been made for preliminary work, such as receipt or preparation of material. The fabricating yards, so called, are not included in these charts.

PACIFIC COAST LEADS.

The charts show the Pacific coast leads the North Atlantic coast by a ratio of a little more than two, as against a fraction of one for the Gulf and South Atlantic coasts.

A comparison of districts on a basis of total construction shows the eighth district, which includes Washington and Oregon, at the top; the seventh district, including California, second, the ratio between the two being about 7 to 5½; the Great Lakes section (district No. 9) rates as 3; district No. 3 (Maryland, Virginia, and Delaware), 2½; district No. 10 (Philadelphia, south Jersey, and vicinity), about the same; district No. 2 (Rhode Island, Connecticut, the Atlantic coast of New York, New Jersey, excepting south Jersey), a little more than 2; district No. 1 (Maine, New Hampshire, and Massachusetts), less than 1; and districts Nos. 5 and 4, a bare fraction of 1.

SKINNER & EDDY AT TOP.

In the comparison of yards Skinner & Eddy again tops the list, the Bethlehem Shipbuilding Corporation (Union Iron Works) is second, the Moore & Scott Iron Works third; Seattle Construction & Dry Docks Co. fourth, and New York Shipbuilding Co. fifth. The Saginaw Shipbuilding Corporation is at the tail end of the procession in this comparison.

Emergency Fleet News of May 20, and page 11, the article "Chart shows speed in wood launchings."

(The article referred to follows:)

GRANT SMITH-PORTER CO. LEADS COMPETITORS IN EAST CONSTRUCTION.

Charts showing comparative production records in the various shipyards of the country, published with the idea of giving managers of shipbuilding plants a basis of comparison of results obtained by themselves as against other yards, have been appearing in the Emergency Fleet News. These charts apparently have attracted considerable interest, judging from the many letters reaching the office of this paper.

Complaint has been made that in the steel yards the basis of comparison is not fixed because of the great variance in the types and sizes of vessels. This argument, whatever its merit may be, can not apply to wood ships, most of which are of a similar size. The types of wood ships, of course, are varied to some extent, but there is not a great deal of difference in the dead-weight tonnage.

The accompanying chart shows a comparison between wood shipyards, relating to speed in launching vessels. All of the ships involved are of the cargo type, and all except one are of 3,500 tons dead-weight. That one is a vessel built by the Supple & Ballin Shipbuilding Plant, and is a 4,000-tonner.

The Grant Smith-Porter Co. leads the list of speedy builders of wooden ships. This company built a vessel in 58 days from date of keel laying to launching. The company also holds second place, with the launching in 60 days.

The Supple & Ballin Co. holds third place, with a launching in 133 days from keel laying.

The Grant Smith-Porter Co. again claims attention with four place with a launching in 140 days.

There are 10 yards listed in this chart, and of these the Grant Smith-Porter Co. is listed seven times, holding first, second, fourth, seventh, eighth, ninth, and tenth places. Thus the Grant Smith-Porter Co. easily demonstrates that it is leading the field in wood-ship launching. The chart was prepared by the Statistical Division of the Emergency Fleet Corporation.

On page 16 of the same issue, the article "Portland yards praised."  
(The article referred to follows:)

The Chronicle of St. Johns Shipyards in a recent issue quotes G. M. Bryde, shipping commissioner from Norway to the United States, as follows:

"I have personally visited and inspected nearly all of the shipyards of America. I feel that I know something of shipbuilding, for I have spent my life in it. Without exception, for cleanliness and speed of operation, for thorough efficiency, the shipyards of Portland are superior to all."

I think that is all I care to put in. I would like to read those, and possibly the committee may read them, but I am not going to take time to-day; but they show in a general way the efficiency of the yards in dry territory.

Mr. HURLEY. There isn't any question about that.

Senator KENYON. And there hasn't been any of this dissatisfaction among workers in dry territory.

Mr. HURLEY. We have had more trouble in dry territory than in wet territory; not because of the dry territory but because of conditions that existed out there. The chief labor difficulties we had started in Seattle from the agitation that was fostered out there. It has been adjusted now.

Senator KENYON. Do you have any trouble with these men because they have to give up certain kinds of bread in these yards?

Mr. HURLEY. Not a bit.

Senator KENYON. They don't object to that?

Mr. HURLEY. No.

Senator KENYON. And you think they will make more trouble if they have to give up beer than if they had to give up bread?

Mr. HURLEY. I don't know what they will do. I don't want to take any chances. I will tell you why: I can't predict whether they will produce in wet territory more than they will produce in dry territory or whether they will produce more in dry territory than they will in wet territory. It depends upon conditions; but if you will take into consideration our position, every ship that has been promised by a shipyard we have placed in the military program to feed the soldiers on the other side, and we have overstretched and overreached in trying to satisfy the Secretary of War and Gen. March, and every week we watch with the greatest care the delivery of ships. We are not taking into consideration the wet or dry part of it. The men are doing their part now, and we are all very happy over it; but if a ship or two ships or five ships should not be delivered from a dry or a wet territory, it might mean a great deal in the supplying of food on the other side. I am not making any speech or making any remarks that something like that is going to be developed; but we are on the firing line of the delivery of these ships every day. Senator, and we are very much concerned. We have been going along so nicely the past two or three months that we are fearful of any interference or any changes. That is my only thought.



Now, in connection with the Pacific coast, some of the finest workmen in the country are in the dry territory. They have accomplished wonders up there. One of the most remarkable pieces of work that has ever been done in the world was over at Camden, N. J.—the launching of a ship in 27 days. The reason that the workers of the Pacific coast are building ships faster than we are on the Atlantic coast is because they started to build cargo ships. They have never been building anything but cargo ships; while on the other hand the Navy Department has kept shipyards going on the Atlantic coast for a great many years, and the class of workmen—they were high-class mechanics, under the inspection of the Navy, but they did not get the drive and they did not have to. They would take two or three years to launch a ship—a battleship. Now, the men on the Pacific coast started to build cargo boats, and they have just built cargo boats and nothing but cargo boats all the time. That, with the weather and the American workmen, is responsible for it. Ninety-five per cent of the men working on the Pacific coast are Americans. That is a pretty good answer as to why they are producing out there.

Senator KENYON. Of your 200,000 in wet territory, what percentage are foreigners?

Mr. HURLEY. I could not tell you offhand. The Cramps' Shipyard has 65 per cent foreigners in the yard.

Senator KENYON. Not naturalized either?

Mr. HURLEY. I don't know the percentage, but a great many of them don't speak English at all, and they are building ships for us and for the Navy.

There are a great many foreigners at Sparrows Point, and a great many foreigners in the shipyards on the Atlantic coast, but on the Pacific coast 95 per cent of them are Americans.

Senator KENYON. That is all I have.

The CHAIRMAN. Senator Sutherland desires to make a request in regard to printing some articles in the record.

#### STATEMENT OF HON. HOWARD SUTHERLAND, UNITED STATES SENATOR FROM THE STATE OF WEST VIRGINIA.

Senator SUTHERLAND. Mr. Chairman. I only want to submit for the record a number of letters from mining superintendents and others engaged in the mining industry in West Virginia, as to the effect of prohibition on that industry in our State. These letters speak for themselves.

The CHAIRMAN. Very well, turn them over to the stenographer and they will be published.

Senator SUTHERLAND. The following letters are worthy of careful reading. They are an answer to the statements of the liquor interests in regard to the effect of prohibition upon the mining industry and the men engaged in it:

J. W. Dawson speaks from 40 years' experience in railroad service and the coal industry. J. M. Clark has for 30 years been engaged in mining engineering in West Virginia, Pennsylvania, Ohio, Kentucky, and Virginia, and has observed mining conditions under all degrees of temperance and intemperance. John L. Dickinson has had lifelong experience in connection with the coal industry; he is

vice president of one of the largest banks in West Virginia, and is one of West Virginia's leading business men. Tom L. Lewis was formerly president of the United Mine Workers of America. He is now secretary of the Splint Gas Coal Association of West Virginia. Lewis knows the coal business from every angle.

CHARLESTON, W. VA., May 18, 1918.

MR. C. R. MORGAN,  
State Superintendent and Attorney,  
West Virginia Antisaloon League, City.

MY DEAR MAJOR: Reply to yours of May 6 has been delayed on account of my absence. After spending 26 years in every department of railroad service, including construction, maintenance, and operation, and 20 years handling the various departments of the coal industry, during which time I had personal charge of constructing and operating three of the largest plants in Virginia and West Virginia, and having just visited the various mining districts of eight different States in the Union, some wet and some dry, and having had personal charge of one of the largest plants in West Virginia, under wet conditions and under dry, I am fully convinced that any industrial plant can have more, better, and more regular work performed by all classes of labor in a dry State than in a wet one.

Yours, very truly,

J. W. DAWSON.

CHARLESTON, W. VA., May 29, 1918.

MR. C. R. MORGAN,  
State Superintendent West Virginia Antisaloon League,  
Charleston, W. Va.

DEAR SIR: Acknowledging your favor of recent date in regard to the effect of wartime prohibition in the mining industry of our country, we beg to reply as follows:

We have been engaged in mining engineering in the State of West Virginia and adjoining States of Pennsylvania, Ohio, Kentucky, and Virginia for the past 30 years, and have observed the mining conditions under practically all degrees of temperance and intemperance. In the early days of the Pocahontas coal field pay day marked the beginning of one long revel of debauchery, and oftentimes of murder. During subsequent years we have observed conditions under local option and in more recent years under State-wide prohibition in West Virginia. We have no hesitation whatever in stating that the present conditions under State-wide prohibition constitute by far the most prosperous era in the coal-mining industry within our 30 years' knowledge, both for the operators and the employees.

The living conditions for the miner are vastly improved, especially in reference to his home life and the comfort and education of his children. The homes look cheerful and are well kept; the children are well clothed and happy. As regards the efficiency of the miner, we would estimate that the average miner has an efficiency of from 10 to 20 per cent greater than during the previous period, when saloons were in close proximity.

We have discussed the situation with numerous coal operators, and practically the only objection that we have heard in regard to prohibition situation is that it does not cover enough territory. The operators are almost a unit in stating that if we had no adjoining States where intoxicants could be obtained, conditions would seem to be ideal. We sincerely hope that your efforts may have a strong influence in hastening the day when prohibition will be enforced from ocean to ocean and from the Great Lakes to the Gulf.

Very sincerely, yours,

CLARK & KREBS,  
By J. M. CLARK.

CHARLESTON, W. VA., June 4, 1918.

MR. C. R. MORGAN,  
State Superintendent and Attorney  
West Virginia Anti-Saloon League, City.

MY DEAR SIR: In reply to yours of the 3d beg to advise that in my opinion prohibition has been a great thing both for the miners and the operators, and

I believe that both are much more opposed to the sale of whisky and beer than they have ever been. It has been of great benefit in increasing the regularity of the working force, due to the fact that they do not spend their pay days and two or three days thereafter in sobering up.

I think it the greatest thing West Virginia has ever done, and in this I believe practically all employers of men agree.

Yours, very truly,

JOHN L. DICKINSON.

CHARLESTON, W. VA., May 18, 1918.

Mr. C. R. MORGAN,

*Superintendent West Virginia Anti-Saloon League,  
Charleston, W. Va.*

DEAR SIR: In reply to your letter of May 6, in which you state that it is your information certain people are endeavoring to create the impression that the coal production of the country will be reduced if the production of beer is stopped on account of beer being a part of the miners' daily diet.

In my opinion, any attempt to create the impression that beer is a part of miners' daily diet is an insult to the mine workers of the country—a vicious reflection upon their intelligence. To even insinuate that the miners would retaliate by reducing the production of coal if the manufacture of beer was stopped would be resented by the mine workers of the country.

The abolition of intoxicants and their use in the mining communities of this State, as well as other coal-producing States, has done much to raise the standard of life, improve the life of the people, and contribute to the welfare and happiness of the miners and their families. The elimination of the curse of intoxicants has contributed to the increase of coal production and the safety of the men in their employment.

Yours, very truly,

T. L. LEWIS.

COAL OPERATORS SAY LIVING IMPROVED.

Mr. S. A. Scott, of MacDonald, W. Va., is the general manager of the New River Co., a coal company which controls 16 coal-operating companies and 1 selling company, having branches in many of the principal cities of America and employing many thousands of miners. Mr. Scott's letter to the State superintendent relative to prohibition and the coal business follows:

THE NEW RIVER CO.,  
MacDonald, W. Va., May 6, 1918.

Mr. C. R. MORGAN,

*State Superintendent and Attorney  
West Virginia Anti-Saloon League, Charleston, W. Va.*

DEAR SIR: I have your letter of April 25, which would have been answered sooner but for my absence from the office.

Prohibition has not injured the coal-mining business in any way, so far as I have been able to observe. On the contrary, it has been very helpful to it. We do not have the idleness following pay day or the trouble formerly connected with it. Prohibition has brought about better living conditions and better efficiency about the mines.

Yours, truly,

S. A. SCOTT, General Manager.

#### PROHIBITION AND COAL MINING.

Below are given letters from two of the leading coal operators of of the State and from the chief mine inspector.

Mr. John Laing, president of the Wyatt Coal Co., is connected with interests which mine between 2,000,000 and 3,000,000 tons of coal per year. Mr. C. A. Cabell, vice president of the Carbon Fuel



Co., is connected with very large mining interests. Mr. Earl A. Henry has been chief of the department of mines for the past five years, and for many years prior to that time was a deputy mine inspector. The integrity and good judgment of these men is beyond question. No other persons are in better position to secure first-hand information as to the effects of prohibition upon the mining industry than they are.

I desire to call attention particularly to the greater efficiency, the better living conditions, and the decrease in the number of fatal accidents mentioned in these letters. Note especially Mr. Laing's statement:

The men work better, get out on time of a morning, and are in better shape for duty in the mines; they are entirely different from what they were before; they are not so much dissatisfied with the general conditions and they are not nearly so susceptible to the persuasions of the agitators of the I. W. W. type. They are more capable of judging for themselves.

Mr. Cabell has been in the coal business all his life. He denounces the slander that the coal miners will not work without beer in the following words:

I think coal mining in all of its branches is as respectable and as high a calling as any other industry, and that the men engaged in it, from the humblest position to the highest, will average up in manhood and intelligence with those engaged in any other industry, and I am quite sure we can go "over the top" in coal production without the assistance of either whisky or beer.

The letters follow:

WYATT COAL CO.,  
Charleston, W. Va., April 27, 1918.

Mr. C. R. MORGAN,  
*West Virginia Antisaloon League, Charleston, W. Va.*

MY DEAR MR. MORGAN: Your letter of the 25th. Since prohibition has been in force in West Virginia there is no comparison of the conditions now to the conditions before the State went dry. While the State was wet every pay day (which means every two weeks) the men would take their money, go to the saloons, spend it, and be off duty in an intoxicated condition for from one to five days. This does not mean that all the men would do this, but it does mean that enough of them did it to cut the production, conservatively, half in two. Their wives and children were neglected, and in many cases charity had to come to their rescue, especially during the winter season; but now such condition does not exist. The money that was going for whisky before is now going into clothing and food for the wives and children. The men work better, get out on time of a morning, and are in better shape for duty in the mines; they are entirely different from what they were before; they are not so much dissatisfied with the general conditions and they are not nearly so susceptible to the persuasions of the agitators of the I. W. W. type. They are more capable of judging for themselves. There are hundreds of other changes for the betterment of all concerned that I could mention, and there is not a single sentence that can truthfully be uttered in favor of bringing liquor back into West Virginia.

Yours, very truly,

WYATT COAL CO.  
JOHN LAING, *President.*  
C. A. CABELL, *Vice President.*

THE CARBON FUEL CO.,  
Carbon, Kanawha County, W. Va., April 26, 1918.

Mr. C. R. MORGAN,  
*Superintendent and Attorney, Davidson Building, Charleston, W. Va.*

DEAR MR. MORGAN: I have yours of the 25th, with reference to the effect or, I might say, the need, of beer in connection with the mining of coal.

Replying, wish to say that I do not feel that prohibition in West Virginia has in any sense whatsoever decreased the production of coal. I do not believe that there are 2 per cent of the miners in West Virginia who would have

either beer or whisky back in the State, either as it was or under restriction or specially provided laws. By this I do not mean to say there is not quite a percentage of our men who would drink whisky or beer if the temptation was set before them.

If I had to contend with liquor or spirits in any form on our plant again, I think I would seek another line of business, although I am well advanced in years and know nothing else but the coal business.

I think coal mining in all of its branches is as respectable and as high a calling as any other industry, and that the men engaged in it, from the humblest position to the highest, will average up in manhood and intelligence with those engaged in any other industry, and I am quite sure we can "go over the top" in coal production without the assistance of either whisky or beer.

If I remember correctly, 1912 was the last year during which whisky was sold for the entire year; the production of coal during that year amounted to 66,731,687 tons. The year 1913, the first year after the State had gone dry, the production was 69,188,794 tons; in 1914 the production was 73,667,058 tons; and in 1917, which was one of the worst periods that I can recall for the past 20 years account of the car shortage and the tying up of all freight transportation, the production was 89,383,450 tons of coal.

From the above comparisons the indications are that there has been no shortage in the production of coal in West Virginia account of its going dry. If anything, the indications are just the opposite; and I do not think that the effect in other States would be different from that in West Virginia.

Very truly, yours,

C. A. CABELL, *Vice President.*

STATE OF WEST VIRGINIA,  
DEPARTMENT OF MINES,  
*Charleston, April 27, 1918.*

C. R. MORGAN,

*Superintendent West Virginia Anti-Saloon League, Charleston, W. Va.*

DEAR SIR: I have yours of yesterday relative to the effect of prohibition on the mining industry of this State.

Since this State has been under the present prohibition law I have watched with a great deal of interest the result it would have on this industry. I find that its effect has at least met with the degree of success hoped for by your league. The general conditions about the coal mines of this State are now beyond a doubt greatly improved. I believe that it has not only added to the morals of the miner, but to his efficiency as well. If you will notice the reports of this department for the past four years you will note that there has been a steady decrease in the number of fatal accidents, which I believe can be accredited in a measure to the elimination of intoxicants in this State.

I do not know that prohibition has caused any of the mine workers to leave this State, but I do know that it has raised the morals of these workers to a great extent. They have more money now and are saving more than they have ever been able to save heretofore, aside from which they are paying their bills and serving their families better.

Taking everything into consideration, I believe that prohibition has not been a detriment to this industry, but, on the other hand, has worked to its good.

Yours, very truly,

EARL A. HENRY,  
*Chief of Department of Mines.*

Senator GRONNA. These letters—do they come from the actual miners?

Senator SUTHERLAND. They come from the superintendents and owners of mines, and I am acquainted with all of these men who sent these letters, either personally or by reputation. I think I know all of them personally. They are very reliable men and have had large experience in the mining industry, both before and after prohibition was adopted in our State, and they are unanimous in saying that prohibition has not injured that industry. On the contrary, it has been of great benefit to it.

I have been memorialized numerous times by coal operators' associations in the last year or two since we have had prohibition, asking my support of prohibition measures; whereas those same operators, before prohibition was in effect in our State, were opposed to it. They have been largely converted to it purely from an industrial standpoint and from the effect of it on the men, and from the fact that they can produce more coal per man under prohibition conditions than they could under wet conditions.

Senator GRONNA. And these articles, then, prove that those theories were not well founded, but that it has the opposite effect?

Senator SUTHERLAND. Yes; these letters are to the effect that it has been beneficial to the coal industry.

The CHAIRMAN. We are very much obliged to you, Senator.

We will now hear General Burleson. I will say that General Burleson is appearing now because it is Cabinet day. Mr. Colby would have appeared next but for that reason.

Now, General, you may proceed in your own way. We have under consideration the Jones amendment to the food-production bill, which provides for immediate prohibition on whisky, beer, and wine.

#### STATEMENT OF HON. ALBERT S. BURLESON, POSTMASTER GENERAL OF THE UNITED STATES.

General BURLESON. Mr. Chairman and gentlemen of the committee, I am not very familiar with the provisions of the Jones amendment. I have not read it. I understand from the chairman of your committee that the committee desired me to attend this morning and express my views of the prohibition amendment.

The CHAIRMAN. Let me say, General, I ought to say for the benefit of the record and for the benefit of the Postmaster General, that the committee voted a request on Friday last, which I tendered to General Burleson, that he be present on this occasion, and he is here in response to that invitation.

Senator KENYON. I think that arose, General, out of the fact that it was stated to the committee that you had telephoned the chairman of the committee—the acting chairman, Senator Smith—that this bill would be disastrous to the country. Now, if you felt that way about it, we are interested to have your reasons.

General BURLESON. I think that is putting it a little strong. I have not said that prohibition would be disastrous, but I have felt that it might prove quite disturbing to the people, and might result in delaying the successful prosecution of the war.

If you gentlemen will pardon me and give me just two minutes—because I think that that is all the time you should waste on one who knows so little about the actual conditions as I do—I will give you my views about this prohibition situation, if you care to hear them.

The CHAIRMAN. We will be very glad to have them.

General BURLESON. I have always believed in the personal liberty of the individual citizen in local self-government, in the reserved rights of the States; that there should be no surrender of the police powers by the State to the Federal Government in order to effect prohibition throughout the Nation. For that reason I have been at all times a firm antiprohibitionist and am so now, but I frankly say to you that in this great crisis, with the whole world ablaze with



war, these old-time views of mine are now entitled to but little weight or consideration. The issue at this time is the successful prosecution of the war, the great objective is to bring it to a speedy and successful end. That ought to be the single goal we are driving at, and I hope you will believe me when I say to you that, notwithstanding my convictions on the subject being considered, if I thought it necessary in order to conserve food for our allies or ourselves, to have prohibition—bone-dry prohibition—I would be in favor of having it; yes; at once, if necessary.

But I do not know whether it is necessary to take this step in order to conserve food. It strikes me that you gentlemen, if you wanted accurate information on that point, would seek it from the Food Administration or from the Secretary of Agriculture, or the corps of able crop estimators that he has in his department to advise him with reference to crop conditions.

And securing this information from them, or having them advise you of the true conditions, through the Commander in Chief, if the information comes that it is necessary in order to conserve food, to stop the manufacture of intoxicants of all kinds, I say, let us have it, and have it.

But I do not know whether it is necessary.

There is one phase of this question that I think is entitled to serious consideration at your hands—and I am glad that I have not the responsibility on me that you have of determining this question—that is, what effect would this proposed action have upon the spirit of the masses of the people; what effect would it have upon the solidarity of this Nation; what effect would it have upon American unity?

Now, gentlemen, we need not try to blink this question. If this bone-dry legislation is enacted, the issue of prohibition will be thrust into every close congressional district in the United States, not in a partisan way, because there are some Democrats and many Republicans who are Prohibitionists, and some Republicans and many Democrats who are anti-Prohibitionists. The issue will be used where it is thought it will help the candidate opposing the sitting member.

We all know human nature. You pass this law, and if it is not made plain that it was absolutely necessary, in every close congressional district it will be made an issue.

And, gentlemen, I do not know of anything that is more disturbing to a community than the precipitation of a prohibition discussion—unless it is the selection of a fourth-class postmaster. [Laughter.]

Now, I have felt that all the strength, and all the energy of the American people should be directed toward the accomplishment of the great end that we are all driving at—the winning of the war. Should we throw this issue in as an apple of discord at this time, with the certain result of diverting the attention, dividing the thought of the American people at this crucial period? Should that be done? I hope not.

I assure you that the suggestion I have made about prohibition becoming an issue in congressional contests is not offered because of a partisan reason. Frankly, I will say to you that in my opinion this war will redound to the advantage of the party to which I be-

long, necessarily so. But, gentlemen, I would despise myself if, for one instant, I could bring myself to a point where I was willing to capitalize this great war for a partisan end. It ought not to be done. The full strength and energy of the American people should be directed toward the accomplishment of this one great purpose—win the war.

Senator GRONNA. May I ask you a question?

General BURLESON. Pardon me, Senator, it will take me only a minute to finish.

Senator GRONNA. I just want to ask you one question in that connection. I agree with you that that should not be done; that it should not be made a party question. But it must be recognized that this is a great question among the American people. Prohibition is not a local question any more in the United States; we all know that.

General BURLESON. Why, certainly not—

Senator GRONNA (interposing). Now, if it should turn out that the people are overwhelmingly in favor of this, and it would add to the unity of the country, would it not be beneficial in that case?

General BURLESON. There are many well-meaning people, better people than I am, who believe that this issue ought to be pressed to a speedy determination. And those people are importuning you every day to act; they are pestering you constantly.

But, gentlemen, the question is whether these extremists ought to be heard favorably by you; that is the question.

Why, I have a few pet policies of my own that I would like to put into legislative effect. But I feel that it would be disloyal, in a way, if I attempted to take advantage of the exigencies of this war to put those policies into effect.

Senator KENYON. It is the food raisers that I am hearing from; the food raisers and producers; those who are producing and are called upon to save, and want to save, are objecting to the grain going into the liquor. I am not hearing from those others.

General BURLESON. Gentlemen, the individual food producer has but little information as to the war necessities of this country, or the war necessities of our allies. If you want accurate information on that subject you know that the sources of information are the Food Administrator and the Secretary of Agriculture and his assistants.

Senator KENYON. The Food Administrator has made some statement about it, has he not?

General BURLESON. Then, I think you were very wise in consulting him about it and should carefully weigh what he says.

Now, one step further. I feel that nothing should be done to lessen the strength or endanger its full exercise or to diminish the energy of the American people in the prosecution of this war. Some have said—I have read it in newspapers; I do not know whether it is true or not—that prohibition at this time would lessen the output of certain of our industries the successful operation of which is absolutely essential for the winning of this war—coal production; shipbuilding, munitions making.

I do not know, but I have read that it would lessen production in certain lines of industry a given per cent if prohibition was put into effect. I know not whether that is true. Senators, I am not the best witness on that subject, but I can tell you who are the best witnesses.

You call Mr. Samuel Gompers. He is a patriotic American, doing his utmost to win this war. He has been selected by the laboring people of this country because they have confidence in his intelligence, in his integrity, and in his courage to voice their wishes. He ought to know the effect that this would have upon the laboring people and could tell if the dangers I have spoken of exist.

Take the men who are connected with this stupendous shipbuilding enterprise of ours; the men who are at the head of the Shipping Board; the men who are at the head of the Emergency Fleet Corporation; they can tell you. But I would go even beyond those. I would go to the superintendents of these shipbuilding plants; I would go to the foremen of the blast furnaces; I would ask them what effect this would have upon the laboring people. I would do that in order to get at the real truth of this controversy.

And right on that subject of laboring people, it always grates on me when I hear talk of passing legislation at the request or refraining from passing legislation because of the objection of a particular class. I do not believe in class legislation. I do not believe that laws ought to be passed for the benefit of a particular class, nor do I believe that you ought to refrain from passing a law because a particular class objects to the passage of that law. But, gentlemen, we ought always to be careful not to leave an impression that unjust discriminations against a particular class are being made under the law.

I will illustrate what I mean: We all know that brandies and wines are the beverages of the rich. We all know that beer is the drink of the poor.

Now, if we passed a law providing that no more beer should be manufactured and sold, but that brandies and wines and liquors could be sold, you could get it out of the minds of that particular class of those who use beer that they were being unjustly discriminated against. I think that would be very unfortunate.

The question that we ought to keep uppermost in our minds at all times is, What effect will any particular action have upon the prosecution of the war? If I believed that it would increase the energies of those engaged in these industries that are vital to our success—if I believed that, I do not care who said the contrary—I would vote for prohibition. But if I had doubts about it, I would hesitate a long time.

I do not know, but I have also seen it stated in the newspapers that this proposed legislation if made law would result in serious injury to certain banking institutions in the country which are carrying large amounts of—what do you call it?

Senator SHEPPARD. Warehouse certificates?

General BURLESON. Well, distillers' paper, I will call it. I do not know whether that is true or not, the bankers would know, and I would not care whether it was true or not: if it was necessary to win the war, I would drive forward. But if it was not necessary to win this war, I think that this threatened danger to banks should be given serious consideration.

I have seen it in the newspapers that many farmers have planted hops and barley, and grains that are going to be used in the manufacture of these alcoholic stimulants. If it is necessary for the prose-



cution of the war that their interests be sacrificed, I would sacrifice them. But if it is not necessary, I would hesitate, and in any event I think those people are entitled to be heard.

Now, just one more word. I have always tried to make it a rule that if certain, drive forward; if in doubt, don't.

I believe I have said all that I care to say to you. I feel highly flattered that you should ask my views with reference to this question at all; and I have tried frankly to give them to you. I do not know all the facts; I do not know the facts which would justify you in taking action; it is only opinion with me.

Senator GRONNA. I want to emphasize, Mr. Burleson, what Senator Kenyon said a moment ago, that I have heard more from farmers, from producers, not only from my own State, but from all over the country, than from any other class.

General BURLESON. Yes.

Senator GRONNA. And they feel that it is an injustice to forbid them to consume products which they produce themselves, to consume them in making bread, and then permit the people of the country to have the grain manufactured into alcoholic drinks. Now, they think that is unfair; perhaps they are mistaken about it.

General BURLESON. Senator Gronna, you know that the views of the individual farmer necessarily are very limited; he can not have the information that the Food Administrator would have or that the Secretary of Agriculture would have.

Senator KENYON. He has more accurate knowledge on some things.

General BURLESON. But do not understand that I feel that their views ought to be disregarded. They ought to be considered. But let me say this: I think this is no time to have patience with fanatics; it is no time to hear extremists or theorists. I believe we all ought to get right down to cases on this question and do what is necessary to win the war.

Senator KENYON. You do not mean that farmers are fanatics about food, do you? They are just as essential as shipbuilders.

General BURLESON. Yes; some of them are fanatics; not all of them by any means. I am a farmer myself; and so I am quite sure that they are not all fanatics. [Laughter.] Fanatics can be found in all classes and callings.

Senator GRONNA. Of course there is one thing the farmers do know, and that is that they are not permitted to use all the grain they want in the making of bread, grain which they themselves produce; they know that.

General BURLESON. I have not kept up with the rules and regulations of the Food Administrator, but I am satisfied that if he has promulgated any such regulation as that there was good reason for it.

Senator GRONNA. That is no longer a debatable question; that is admitted.

Senator KENYON. There have been lecturers sent out in my country by the Government to tell the farmers how to conserve, and one distinguished gentleman to advise them to eat less of their products.

General BURLESON. Yes; and it is very patriotic to conserve.

Senator GRONNA. And they are eating less.

General BURLESON. I have not eaten flour bread in my home since last July.

Senator GRONNA. The farmers that I have heard from were not complaining about it. The only complaint they make is this:

We are willing to forego the privilege of using wheat and even use barley for bread, if necessary; we are willing to use only vegetables if the wheat is needed for soldiers on the battle field. But why should the Government allow them to take fifty-four to sixty million bushels of barley and have it converted into drink when it is actually needed for bread?

Those are the complaints that come to me.

General BURLESON. I have said to you that, so far as I am concerned, if all the grain is needed for bread for our allies or ourselves, then undoubtedly it should be used for bread alone. But if it is not so needed, then that is another question. And that is for you gentlemen to pass on, not me.

Senator KENYON. General Burleson, when you speak to us against this amendment, and when you telephoned to the acting chairman of the committee against it—

General BURLESON (interposing). Senator Kenyon, I do not know that I have spoken against it. I have spoken very strongly in favor of it if it is justified by the facts.

Senator KENYON. But that is an "if." But I just wanted to know whether you are speaking entirely for yourself.

General BURLESON. The views I express here are my personal views.

Senator KENYON. You are not speaking for the administration in any way?

General BURLESON. I am not. Whenever the administration desires to speak it has a spokesman who can always find a way.

Senator SMITH of South Carolina. Mr. Chairman, I think, in justice to myself, that I should make a statement here, and I think the committee will bear me out that what I reported General Burleson as saying is largely what he has said this morning; that he has just about covered the same ground this morning; that he covered when he spoke to me over the telephone; the impression that he made on me then was to the effect that this proposed amendment might be disastrous in its results; and if so, it ought not to be enacted?

General BURLESON. I do not like the word "disastrous," because I do not believe anything can bring disaster to this country; I believe the American people have the will to win this war, and I do not believe that anything we can do here is going to keep us from winning this war.

But if we listen to extremists and theorists and do foolish things it might be that the successful termination of the war would be delayed many months and many, many additional lives sacrificed. I want to bring the war to an end as quickly as it is possible to do so, and I am willing to do anything to that end; I have told you how strongly I feel about prohibition, and yet I do not hesitate to say that I would stand for it in an instant if it was necessary in order to get a food supply for our soldiers or our associates.

The CHAIRMAN. We are very much obliged to you for your statement, General Burleson.

General BURLESON. I thank you, gentlemen, for hearing me.

Mr. GOMPERS. Mr. Chairman, I should like to have the honor of submitting some observations about the proposed prohibition amendment to the bill.

The CHAIRMAN. We will be very glad to have you do so, Mr. Gompers. But I believe Mr. Bainbridge Colby, of the Shipping Board, is the next witness who is scheduled to appear, and unless you and Mr. Colby can arrange it otherwise between yourselves I think we should hear him next.

Mr. COLBY. Mr. Gompers, if you are in the least degree of haste, I should be very glad to stand aside and let you proceed now. I imagine, Mr. Chairman, that there is very little that you can possibly require of me.

The CHAIRMAN. Yes; I suppose your statement will be very brief.

Mr. COLBY. Yes; inasmuch as I was very fully heard last Wednesday, when I said all that I had in mind to say. Possibly I can finish in a few moments, and then Mr. Gompers can follow me.

Mr. GOMPERS. Very well, that will be satisfactory to me.

The CHAIRMAN. You may proceed, Mr. Colby.

#### **ADDITIONAL STATEMENT OF HON. BAINBRIDGE COLBY, MEMBER OF UNITED STATES SHIPPING BOARD.**

Mr. COLBY. I am here this morning, Mr. Chairman, in response to an invitation of the chairman of this committee, or, at least, the acting chairman—

The CHAIRMAN. Yes.

Mr. COLBY (continuing). Without any idea as to what further questions the committee desires to ask me.

The CHAIRMAN. I will say that the committee extended an invitation to Mr. Colby to appear before the committee to-day; and he is here in answer to that invitation. I think probably some of the Senators who are members of the committee may desire to ask you questions, Mr. Colby, which are pertinent to your former statement.

Mr. COLBY. Yes. Might I be permitted to say this, Mr. Chairman, that I have a telegram from Mr. Farr, which was produced by one of the members of the committee and read by Chairman Hurley of the Shipping Board.

The CHAIRMAN. Yes.

Mr. COLBY. And since the published account of the Friday session of the committee we have received a great many letters and telegrams on every side of the question, both the amendment that is pending before the committee and upon the general question of prohibition; some are very rabid; some indorsing the stand taken by the Shipping Board; others bitterly denouncing it.

The CHAIRMAN. There are some diversities of view?

Mr. COLBY. An absolute diversity of view. I have not deemed it important to bring all those letters and telegrams up to the committee. I happen to have in my pocket, referring to the Farr telegram, a letter from the president of the Toledo Shipbuilding Co., which also operates on the Great Lakes.

Senator THOMPSON. I think you are mistaken about the Farr telegram having been read; I think it was the telegram from Mr. Russell, president of the Great Lakes Engineering Co., which was read.

Mr. COLBY. Oh; I did not understand that.

Senator THOMPSON. The Farr telegram was referred to, but Mr. Hurley did not seem to have it. Have you that telegram?



Mr. COLBY. No; I do not seem to have it with me. We have a great many, some on one side and some on the other.

Senator THOMPSON. Will you have the kindness to produce the Farr telegram, and have it made a part of the record in connection with your remarks?

Mr. COLBY. Yes; if I can produce other letters.

Senator THOMPSON. Certainly.

Mr. COLBY (continuing). Such as this letter from the Toledo Shipbuilding Co.

The CHAIRMAN. Suppose we pair that with the Farr telegram?

Senator THOMPSON. I would like to have the telegram from Mr. Farr inserted. He is the president of the American Shipbuilding Co., and knows something about shipbuilding.

The CHAIRMAN. I suggested that we pair this letter from the Toledo Co. with the Farr telegram.

Senator THOMPSON. Can we not have them inserted?

The CHAIRMAN. I mean to say this, that I do not want to have published in the record every letter or telegram that comes from anybody on this subject; but Mr. Colby has a letter on one side of the question, and you handed me a telegram on the other side; and that was why I made the suggestion. We want both sides to be presented, of course.

Senator THOMPSON. Do I understand the chairman to rule that we can not have the Farr telegram printed in the record of the hearing?

The CHAIRMAN. You have no occasion to suggest that you so understood it. I suggested that the Farr telegram and this letter be both printed in the record.

Senator THOMPSON. That is entirely satisfactory to me.

The CHAIRMAN. Yes; and I think there was no occasion to suggest that I wanted to exclude it.

Senator THOMPSON. Well, I think there was occasion, because I did not understand the position of the Chair in the matter at all.

Senator KENYON. Is J. Humphrey Sheppard connected with the Shipping Board, Mr. Colby?

Mr. COLBY. I do not know the gentleman. When I received the invitation of the committee, I telephoned to Philadelphia to have prepared a schedule showing which shipyards were in dry territory and which were in wet territory, and to give the number of employes in each yard and the daily percentage of attendance at each yard, and to indicate generally whether the operation of the yard was good, bad, or indifferent, and what was the character of management.

I can only speculate as to what further matters you wish me to go into. I have that schedule, prepared with considerable detail, and although I think that is wide of the mark, and not really pertinent to the inquiry with which you are solely concerning yourselves, I place it at your disposal. The work has been done at some pains, and I imagine it would be informing, at least.

The CHAIRMAN. Let me ask this question: Would any of the Senators present like to interrogate Mr. Colby on that point? The reason I ask is that Secretary Daniels is present, and to-day is Cabinet day, and he naturally wants to finish his statement as soon as possible.

Senator KENYON. I think we ought to hear him.

Why not leave that paper with the committee, Mr. Colby?

Mr. COLBY. I shall be very glad to do so.

Senator KENYON. I just want to ask you one question, Mr. Colby. Do you know who paid for the advertising of your testimony in all the Washington newspapers?

Mr. COLBY. I do not know, Senator. I was appalled and horrified on Saturday last when I saw it.

Senator KENYON. Have you any suspicion on the subject?

Mr. COLBY. I have more than a suspicion. I left New York on Saturday, and on my return yesterday I called up one of the newspapers and asked who had inserted that advertisement. I called Mr. Marks, of the Washington Post. He said that he was advertising manager. I think that possibly comes under the head of advertising. He said that the advertisement had been brought to him by some gentleman connected with the Washington Times, with the request for its insertion, and that he had been directed to bill the matter to Mr. Robert T. Crain.

Senator KENYON. Who is Mr. Crain?

Mr. COLBY. I do not know Mr. Crain.

Senator KENYON. Is he general counsel of the Brewers' Association?

Mr. COLBY. I do not know who he is.

Senator KENYON. I know that they are not marked as advertisements.

Mr. COLBY. You will have to interrogate someone other than myself on that subject, Senator. I greatly regret that that testimony should have been seized and injected into the public vision in such conspicuous form as that, because they will consider it on the other side a manifestation of what I described in my testimony of last Wednesday as the sectarian spirit, which I think is the real ill and evil that follows in the wake of this discussion.

Senator KENYON. You do not know anything about it?

Mr. COLBY. Of course not. I say I was shocked when I saw it.

Senator SMITH of South Carolina. Mr. Colby, let me suggest that if you have any additional matter that you would like to submit, you can just leave it with the committee, and have it inserted in the record of the hearing.

Mr. COLBY. Certainly; I will send this up to the committee as soon as I can; there are some matters which I have here which are not relevant.

(The material referred to was subsequently submitted by Mr. Colby, and is here printed in full, as follows:)

Mr. COLBY (continuing). I do not know, gentlemen, of anything I can add to the very strong statement made by the chairman of the United States Shipping Board this morning.

It is the status quo that we would like to preserve. I would oppose, and I think my colleagues would oppose, any change in the status in the dry territory. We have a carefully brought about harmony and contentment in the shipyards. We know that prohibition has been for 50 years the most bitterly contested and the most political of almost all questions that have engaged legislators or Congress.

We think that to erect this controversial issue in all the shipyards—a question upon which all men instinctively divide—is to absorb a substantial amount of energy which can better be employed driving rivets.

The Pacific Coast territories have come naturally, logically, easily and by their own action into the rule that they have prescribed for their lives.

I would not change that. The efficiency of those yards has been explained by the chairman of our board as due to the simple type of vessels that they are constructing and also to the fact that they have 12 months of a climate which makes outdoor work permissible.

I do not wish you to understand that this testimony of mine is directed against the prohibition cause. I can readily conceive myself, after inquiry and enlightenment, voting for prohibition. I do not think it is the attitude of any of us on that question that is material here. But let us pretty good, if not quite well enough—let us leave pretty good, which shows a disposition to get better every day, alone, and not relapse into a field, into a subject, that has been more prolific of bitterness and dissension, debate and controversy, than almost any question in the history of politics for the last 50 years.

I am at your disposal, gentlemen, at any time, if I can throw any light on this question. I can not conceive of being able to throw much. The chairman of the Shipping Board has covered it in a statement which, it seems to me, is one that no patriotic man can ignore, and I will now give place to the Secretary of the Navy.

Senator GRONNA. I just want to ask one question. I think it is fair to say, then, that we are in perfect agreement that prohibition in the shipyards where they have prohibition has not been disastrous: it has been good, or, in any event, we can say that it has not been bad.

Mr. COLBY. I do not think there is any very great difference between the two categories of yards.

Senator GRONNA. Of course, you will realize that that condition was brought about by the same effort that the people are now using to try and establish prohibition in shipyards where they do not now have prohibition?

Mr. COLBY. But it has been brought about by the autonomous action of the States and by the votes of the people affected, and it has not been brought about by an unprecedented or Federal action, imposed upon the States regardless of their wishes. There is something in that.

I would like to ask the Senators what basis is there for assuming that this is a food-conservation measure?

The CHAIRMAN. Has any information from the Food Administration been received on the subject? I ask the question because I saw in a New York paper what purported to be an excerpt from a letter written by Mr. Hoover, from which I got the impression that Mr. Hoover distinctly disavowed any necessity from the standpoint of the Food Administration of this legislation. It seems to me that that is a pivotal point which ought to be resolved on the very threshold of the discussion and not considered casually and in a back-handed way.

Senator GRONNA. Would you want this committee to leave that important question to Mr. Hoover alone?



Mr. COLBY. Well, it seems to me that even a committee of as much importance as this would naturally resort to Mr. Hoover, who is a specialist and who is studying the matter in its widest reaches and broadest relations, before advancing on a scheme of prohibitory legislation on the basis of food necessity.

Senator GRONNA. I will say for your information, Mr. Colby, that the committee has taken advantage of having Mr. Hoover's statement. I think every member of this committee is familiar with the letter written by Mr. Hoover on the subject.

Mr. COLBY. Yes. I asked the question in perfect good faith. What did he say? Did he certify it to be a food necessity?

Senator KENYON. There is a letter from Mr. Hoover to Senator Sheppard, which is in the record.

Mr. COLBY. What does he say—in a word?

Senator KENYON. He says: "There is, of course, a great deal of contention that the beer itself contains some food value." That is connected up somewhere in the letter. Then he says: "But, omitting this, the cessation of brewing would effect a saving in grain of approximately 3,150,000 bushels a month, from a nutritive point of view; it needs no comment from me, from a food point of view, that I would favor saving this amount of grain."

Senator GRONNA. He admits that the Government would save 54,000,000 bushels of grain a year.

Mr. COLBY. Yes.

Senator GRONNA. But out of that, of course, some of this dairy food.

Mr. COLBY. He stops there, however, with regard to deeming it a necessity.

Senator KENYON. It ought to be said, in fairness, that he does not favor the legislation.

Mr. COLBY. He does not favor the legislation?

Senator KENYON. No. He says it would put the Nation on a whisky basis.

The CHAIRMAN. That letter was with regard to the beer production.

Mr. COLBY. I feel doubly sorry, Mr. Chairman, for trespassing on your patience and retarding these gentlemen whom you want to hear.

The CHAIRMAN. Secretary Daniels, the committee will be glad to hear you now.

The CHAIRMAN. Please state, for the record, Mr. Secretary, your name and official position.

#### STATEMENT OF HON. JOSEPHUS DANIELS, SECRETARY OF THE NAVY.

Secretary DANIELS. Josephus Daniels, Secretary of the Navy.

The CHAIRMAN. Mr. Daniels, we have before us what is known as the Jones amendment, looking to prohibition of the whisky, beer, etc.

We will be very glad to have your views and your experience or observation as relating to Government shipyards, where beers, etc., are sold, and where they are not sold.

Have you any information upon that point, or any related subject?

Mr. DANIELS. The experience of the Navy, speaking first as to the enlisted personnel and as to the officers, is that the so-called dry order improved the efficiency in every particular; and whereas there were a great many officers in the Navy who did not approve the order when it was first issued. I dare say there is a very small per cent who would ever want to go back to the old rule. It has demonstrated its efficiency and its wisdom.

As to ship construction, the great bulk of men who are employed in the shipyards are capable and sober, efficient men, wherever they work.

Senator THOMPSON. That applies whether it is in dry territory or in wet territory?

Mr. DANIELS. It applies everywhere. A great proportion of the men are skilled and capable and patriotic and do their work well, whether there are saloons around them, or whether it is a dry territory. But in every case where we have had a shipyard or a community to go from open saloons to prohibition, there has been an increased efficiency and marked improvement.

Perhaps I might illustrate that by the case of Newport, R. I., and Mare Island, Cal. At Mare Island we have one of the largest shipyards, where we are now building the *California*, a great dreadnaught, and destroyers and other craft.

In Newport, R. I., we have a large plant, where we make torpedoes. They are both very important places, and very efficient.

Some time ago the Commandant of the Mare Island Navy Yard, Capt. Harry George, a very capable officer, recommended that Mare Island be placed in the 5-mile zone district. His primary purpose was to protect the enlisted men who were under training, but also to make a better condition for the men who were working in the shipyard.

When his recommendation reached Washington and it became known, there were not a few protests from Mare Island against such an order: and there were not a few people who said that if this order was put into effect the men who were employed in the shipbuilding at Mare Island would resent it, and the product would be decreased.

I looked into the matter very thoroughly and took some weeks to do so. After an investigation made by naval officers and others the order was issued. To-day the very men, or many of them, who protested against this order, approve it. The efficiency of that yard has steadily improved. It was excellent then, and the great mass of men who work in that yard were sober and temperate men. But the temptation of saloons at the door of the yard did cause some of the young men to drink, whose efficiency was thereby impaired.

We have increased our men at Mare Island in the last four months by 400. The other day we launched a destroyer from the Mare Island Navy Yard which broke the world's record in time of construction, much of the work on which had been done since Mare Island became a dry district.

I think it is a serious mistake and an unjust reflection upon them to say that men employed in our navy yards are less patriotic than men who wear the uniforms. Congress has passed a law saying that under no conditions can any man sell a drop of intoxicating liquor

to a man in uniform in America, and has prescribed heavy penalties if that law is violated. It is a wise law, and time has demonstrated its wisdom.

Now, in my judgment, the men who are building ships and making torpedoes are just as ready to make a sacrifice of their habits, or of their tastes, as the men in uniform, and there is no more reason why you should say a man who is going to fight should not be allowed to have a drink than why you should say that the civilian population all over the country should not put the same restraint upon themselves during the war. It seems to me that that is a very sound proposition, not open to debate.

Now, you take the question, as I say, at Mare Island. Perhaps there was no town in America where there were so many saloons in proportion to the population, or where the conditions have been more wretched. The brewing interests there seemed to dominate the city government. To our appeals for some measure of cleaning up they turned a deaf ear, and conditions were so deplorable that it was a crime to let them continue.

For several months before we issued this so-called dry-zone order, upon his own motion, but with my approval, Capt. George, who is in charge of that yard, had issued an order that no man in uniform should put his foot in the town, and for months, although they were just across the river, not a man in uniform visited that town, because the conditions there were regarded by the commandant as demoralizing to young men.

Since then, because the conditions have improved so much that it has been a revelation, mothers all over the country who have given up those boys for training have lost their alarm, and the efficiency of the yard is steadily improving.

Now, I did not propose that order, because I felt that there was any more need for a saloonless district for men employed in the yards than I did for men in the uniform. Men who labor in the shipyards are just as wholesome, just as clean, and free from drinking as men who are in uniform, or as lawyers or merchants or anybody else.

At Newport, R. I., last year we had 20,000 men under training. We had about 3,000 men making torpedoes. The conditions there were so deplorable because of the saloons that I had not one but scores and hundreds of letters from fathers and mothers of boys who were being trained in Newport protesting that something ought to be done. I referred the matter to Capt. Bryan, who was the commandant of that district, and after trying by every possible method to get the people in the city and the proprietors of saloons to co-operate in securing a better condition, and failing, Capt. Bryan recommended earnestly the five-mile zone.

Capt. Beach, who is the commandant of the torpedo works and to whom is given the duty of making torpedoes, the most essential instruments in this war, wrote not only once but several times, and earnestly appealed to have a five-mile zone in that district, because he feared that if one or two or three men at the factory should become intoxicated something might happen to the works; and he regarded it as the best influence for the carrying on of this important industry that a dry zone should be created around Newport.



That was done, and some of the people who opposed it, and some people who doubted the wisdom of it, believe that it was a wise act. There is not a skilled workman or unskilled workman in Newport, whether he believed in it or not, who has not said, by his acts, "I am just as willing to make a sacrifice, if need be, for the war as I expect my brother in uniform to make."

Senator KENYON. Did that decrease the efficiency of the yard?

Secretary DANIELS. It increased it.

Senator GRONNA. Our attention has been called to the conditions on the Pacific coast, Mr. Secretary, and to the fact that the men who work in the shipyards there are Americans, whereas on the Atlantic coast a good many of them are what we call foreigners. Have you taken that matter into consideration? Could you give the committee some information as to that?

Secretary DANIELS. My observation on that would probably be drawn largely from the coal fields of West Virginia, Kentucky, and other sections, where there is a larger foreign population than anywhere else. When prohibition was put into effect in West Virginia and other coal fields, the prediction was freely made that it would result in inefficiency and the foreign-born people would so protest against the taking away of what they called their liberties the mines would lose in production. But if you would submit the question to the people in that country now, it would be carried by a so much larger majority than before that there would be no question about it. My experience in navy yards and in private yards building ships for the Navy proves this observation.

Senator GRONNA. They seem to be willing to obey the law in the coal fields, as they are on the Pacific coast?

Secretary DANIELS. I believe that the foreign-born population who are in the navy yards—and they are very high-class men—even though they personally would be opposed to this movement, would say to themselves, "If my brother who is in the Army and my brother who is in the Navy can have imposed upon them during this war the condition that he can not follow his habits or his tastes, I am willing to do the same thing."

I have found in this war that there is no difference between men in uniform and men out of uniform in supporting the war, and that it is a misunderstanding of the spirit of the men in the navy yards or other shipbuilding yards or in munitions plants to think that they would stop their work or lessen their work by reason of such legislation. I know them very well; I am in very close touch with them. I visit nearly every navy yard on this coast every year. I know the spirit of the men; I know their feeling. You can go into any navy yard on the Atlantic coast, and you will find men who would like to have prohibition and men who are opposed to it. You will find varying views, like lawyers, or doctors, or business men. But the opinion that production would be decreased by prohibition is contrary to all experience. Experience shows efficiency is increased. One ounce of experience is worth a pound of opinion.

But when the Congress of the United States says that 2,000,000 soldiers, of varying tastes and opinions, during this war can not buy a drink, and if anybody serves it to one of them he is a criminal, and when they say that the 440,000 men in the Navy can not buy

drinks, then I do not think you are encroaching upon any right of a civilian if you impose the same condition on him during the war.

Senator GRONNA. Speaking of the coal miners of West Virginia, Mr. Secretary, just before you came in, Senator Sutherland made a statement, and his testimony corroborated yours, that the conditions in the coal fields of West Virginia had improved with prohibition.

Secretary DANIELS. That is my understanding. The same thing is true in shipbuilding as in all other industries. This opinion is built upon experience of more than five years in the Navy.

Senator JOHNSON. And that the people who condemned it then are commending it now—largely.

Senator GRONNA. Yes; favoring it now.

Secretary DANIELS. That is the experience everywhere. Many good men think at first it is going to make a great deal of trouble; when it comes, particularly in war times, and the men say, "If I do not like it, it promotes the good of the country in carrying on the war," opinion crystallizes in favor of temperance legislation.

In my judgment we ought not during the war to use a bushel of wheat for anything except a prime necessity, whether it is drink or eating; we ought not to use a car in America for anything except to win the war; we ought not to use a man for anything in America except to win the war. And every man employed in the industry of producing alcoholic drinks is employed in a business that is not necessary to put it at the very best. In my judgment it is the business that lessens efficiency.

Now, if you say that you must have saloons at the doors of the navy yards in order to produce efficiency, then you ought not to say that a man who is fighting should not have it to make efficiency, because we want to win the war. And the same principle prevails everywhere, and ought to prevail everywhere during this war.

Senator KENYON. Mr. Secretary, I do not want to ask for any naval secrets, but you can tell us how many men are employed in the navy yards in making torpedoes, torpedo boats, etc.—approximately.

Secretary DANIELS. There are approximately 90,000 employees at all navy yards and stations.

Senator KENYON. They are men of different nationalities, are they not?

Secretary DANIELS. Of course; men of all nationalities.

Senator KENYON. Men of all nationalities?

Secretary DANIELS. Yes.

Senator KENYON. And are all of those navy yards where they are working in dry territory which was made dry by the zone system?

Secretary DANIELS. No; the yard at Charleston, S. C.; the yard at Norfolk, Va.; the yard at Washington, were made dry by law; the yard at Bremerton, Wash., and some others.

I have not spoken of the Naval Gun Factory at Washington. We have here in Washington a Naval Gun Factory that will soon be one of the biggest gun factories in the world. We have increased the number of men during the last six months over 2,000. The efficiency of that yard has steadily improved. Congress made it dry. We have not heard a criticism or a word from any man in that yard against that action.

Senator GRONNA. None of the men have quit work because of prohibition?

Secretary DANIELS. Nobody has quit work, and no man has decreased his efficiency. As I say, it is a very high class of men who work there.

Senator THOMPSON. There are different nationalities employed there, too?

Secretary DANIELS. Yes. And nobody has quit work and nobody has lessened his efficiency. Most of them were efficient before. Understand me, I do not advocate any policy on the ground that if a man takes a drink he is going to be inefficient, and if he does not take it unless in very large quantities he immediately destroys efficiency. But I never knew a man who drank a long while who could do anything as well as he could have done his work if he did not drink. Total abstinence promotes efficiency everywhere.

Senator WADSWORTH. Mr. Secretary, I am not informed as to this matter myself, but the question just occurred to me a moment ago. Do our men on the other side receive any wine ration?

Secretary DANIELS. They do not.

Senator WADSWORTH. Or any rum ration?

Secretary DANIELS. They do not.

Senator WADSWORTH. Do you care to say whether that matter has been taken up from the other side?

Secretary DANIELS. Do you mean, do they receive any from our Government?

Senators WADSWORTH. Yes.

Secretary DANIELS. No.

Senator WADSWORTH. Are they permitted to obtain any?

Secretary DANIELS. In the Navy, of course, and in the Army, too, if a man is on leave he can obtain it. There is no law in Great Britain or France, such as we have here, forbidding a man in uniform buying intoxicating drinks. But no man on a Navy ship anywhere can either carry it or drink it, and no man at a naval station can do so, either.

Senator WADSWORTH. I asked the question, because I know all the British, French, and Italian Armies serve a ration either of rum or wine to the men in line, upon certain occasions; I do not know how regularly.

Secretary DANIELS. There was a time, you know—a long time ago—when in our Navy a certain ration of grog was served. And then afterwards, in Secretary Long's administration, he issued an order that no enlisted man should take on board anything to drink, and if he did he was put in the brig. I followed that with an order that none should be taken on board for any purpose except medicinal.

Senator KENYON. There has not been any apparent decrease of efficiency in our Navy because it was dry, has there?

Secretary DANIELS. I think that speaks for itself. It has improved all the time. Of course, I do not attribute all of this improvement to that, but it has absolutely proved that it has not injured the Navy. And I am sure that if you were to ask a naval officer—a very large per cent of them have told me that when the order was issued they did not approve it, but under no circumstances would they have it revoked.

Senator WADSWORTH. My question was directed mostly to what obtained in the Army, and not in the Navy.



Secretary DANIELS. Well, if there is any I do not know it, and I am pretty sure it is not.

Senator SMITH of South Carolina. If there are no further questions, we are much obliged to you, Mr. Secretary.

Mr. Samuel Gompers has signified his desire to address the committee.

Mr. DINWIDDIE. Mr. Chairman, before Mr. Gompers speaks, may I ask what is the wish of the committee with reference to hearing the proponents of the measure in answer to what has been said here to-day?

Senator SMITH of South Carolina. The chairman of the committee, just before leaving the room, in asking me to act as chairman, indicated that if the proponents of the Jones amendment desired they would be entitled to the same length of time that was taken by the opponents of the measure. There has not been an accurate record kept of the time by him, I presume.

Mr. DINWIDDIE. I have kept it very accurately myself, Mr. Chairman; of course, my record might not serve your purpose.

Senator SMITH of South Carolina. Yes, it would.

I was going to say that, aside from Secretary Daniels, the testimony this morning has been against the amendment, and we have now been in session something like an hour and a half. Of course, Secretary Daniels' time will be charged to the proponents of the measure.

However, the committee will hear, if desired, the proponents of the measure present their side, if it is their understanding that this was to be a hearing on both sides of the question; they will be given equal time with the other side.

Senator KENYON. Could we hear Mr. Gompers now, Mr. Chairman, and then adjourn, because a number of us have to be in the Senate this afternoon.

The CHAIRMAN. Yes; we will hear Mr. Gompers now.

Mr. DINWIDDIE. The reason I propounded that question, Mr. Chairman, was to find out when we could be heard, because we have some gentlemen present now who wish to be heard.

Senator SMITH of South Carolina. You will be heard upon the conclusion of Mr. Gompers's remarks.

Mr. DINWIDDIE. I thought you were expecting to adjourn at the conclusion of his statement.

Senator SMITH of South Carolina. I do not know what the action of the committee will be with reference to that.

Senator WADSWORTH. Mr. Chairman, the very important military appropriation bill is on in the Senate to-day at 12 o'clock. We recessed last night, and some of us will have to be there. We will be very glad to hear Mr. Gompers, but after he has concluded, some of us will have to go to the Senate.

Senator SMITH of South Carolina. Senator Gore, the chairman of the committee, indicated before he left that we could take a recess and meet in the Capitol this afternoon, so that we can hold a hearing during the sitting of the Senate; and thus carry on this hearing continuously to-day.

Mr. Gompers, the committee will be glad to hear from you now. Please state your name and your official position.

**STATEMENT OF MR. SAMUEL GOMPERS, PRESIDENT OF THE  
AMERICAN FEDERATION OF LABOR.**

Mr. GOMPERS. My name is Samuel Gompers, and I am president of the American Federation of Labor and a member of the advisory commission of the Council of National Defense.

Senator SMITH. Now, Mr. Gompers, you are aware of the subject under discussion, and you will proceed in your own way to state whatever you desire to state to the committee.

Mr. GOMPERS. I desire to make a few observations and perhaps one or two specific points.

I was in St. Paul, Minn., attending the convention of the American Federation of Labor, when apprised of this specific proposition which is under discussion by your honorable committee. I came here to Washington perhaps a day earlier than I anticipated because of this legislation. I had hoped to take one day's rest after the conclusion of the convention. I could not. I felt it my duty to come here.

In looking over the statement submitted to your committee, statements and arguments, I note that some adverse comment has been made because the convention of the American Federation of Labor had not passed upon the question of opposing the subject of prohibition as it is before your committee, or as it is before the country and the States by constitutional amendment, and to the mind of men who do not know that comment is quite justified, like the men who so frequently discuss questions academically and know nothing of the subject in practice.

In the early part of the sessions of the convention Mr. Proebstle, for the Brewery Workers' International Union, came to me with a copy of a resolution which he asked my judgment for its introduction in the federation. I informed him that in my judgment that resolution ought not to be introduced. I am an antiprohibitionist, not of a mere mushroom mental growth, but one opposed steadfastly for more than 40 years, and in principle; and I think I may say with some degree of justice that I have done as much as most men and much more than many men in furtherance of the cause of temperance. I advised Mr. Proebstle for himself or for his delegation not to introduce a resolution denouncing and attacking prohibition.

Senator KENYON. Was he the gentleman who came down with you, Mr. Gompers?

Mr. GOMPERS. The gentleman who came with the telegram or petition or protest signed by a large number of delegates to that convention, and I hold the original. Mr. Proebstle gave it to me here this morning.

Senator KENYON. He is here?

Mr. GOMPERS. He is in this room, and I asked him for a copy of the petition and protest, and he handed me the original, and I now have it in my hands.

Let me call your attention to the reason why I asked Mr. Proebstle not to introduce the resolution. I hold in my hand a copy of the constitution of the American Federation of Labor, and it contains a provision or section which I shall read to you in a moment, but before that I want to give you the reason why this section was introduced.

Perhaps it would be better if I were to read the section now. It is Article III, section 8, of the constitution of the American Federation of Labor:

Party politics, whether they be Democratic, Republican, Socialistic, Populistic, Prohibition, or any other, shall have no place in the conventions of the American Federation of Labor.

Let me give you the reason why this was proposed and adopted. There was a propaganda going on all through America particularly to inject socialistic politics and socialistic philosophy into the American labor movement, and we had to take up one-half of the time of the conventions in discussions and pro and con on this subject. The socialists always were in a very small minority, and yet they were entitled to the floor to discuss the question upon an equality with the delegates who were opposed to socialism and to the Socialist Party, and often it happened that, say, 10 or 12 socialists would occupy the floor when 3, 4, 5, or 6 of the men who were nonsocialists or anti-socialists would occupy the floor, and then when the voting would come the socialists were overwhelmingly defeated. It deprived us of the opportunity of constructive discussion and legislation, and in sheer desperation a delegate wrote this section and offered it, and it was adopted by an overwhelming vote and became part of the constitution.

Senator RANDELL. How long since that was adopted?

Mr. GOMPERS. About 12 years ago, and in order that we might exclude the discussion of party politics of a socialistic character it was necessary that we should make the clean sweep that is here.

Senator THOMPSON. You do not regard the prohibition question as a party question, do you?

Mr. GOMPERS. It has been made a party question. There is the Prohibition Party, and it precludes—the constitution of the American Federation of Labor, the section which I have just now read, precludes—the discussion, for instance, of free trade in the conventions of the American Federation of Labor or the protective tariff policy.

Senator THOMPSON. And that is what you referred to as the Prohibition Party, those advocating prohibition only?

Mr. GOMPERS. Yes, sir: as a Prohibition Party. I told Mr. Proebstle if he introduced or anyone else introduced a resolution denouncing prohibition. I would rule it out of order and I said that to him as one who is an antiprohibitionist.

Now, because of that fact, because the resolution if introduced would have been declared out of order, which I advised those who contemplated introducing it, without my knowledge—and it did not require my consent, but I assume I was too busy or no one consulted me about it; no one asked me to sign this petition or protest. I saw it, though, in St. Paul.

Senator GRONNA. Of course, in that convention you had delegates from all the various States of the Union?

Mr. GOMPERS. Of all the various States of the Union, but the delegates representing the great bodies of organized labor in America are delegates representing the international unions.

Senator GRONNA. Yes.

Mr. GOMPERS. That is the trades, not necessarily the States or municipalities, but the industries which are organized in local and



national industrial organizations—trades unions, international in character, having local branches all over America.

Senator GRONNA. Coming from the entire country, it is reasonable to suppose that there would be men for prohibition in that organization, as well as men opposed to prohibition?

Mr. GOMPERS. Yes, sir; I think there would be a few. I am quite positive that those who would be in favor of prohibition are in a very small minority, and that if the question could have constitutionally come before the convention of the American Federation of Labor, it would have been voted down by an overwhelming vote, but the constitution forbade, and I would not violate the constitution of the American Federation of Labor except for one cause, and that is the cause of America in this war.

Senator GRONNA. Are most of these delegates from the larger centers of trade, the larger cities where they have large manufacturing industries?

Mr. GOMPERS. They represent all, or nearly all, I think, Senator Gronna.

Senator GRONNA. I do not think I made myself clear. Pardon me if I am interrupting you. These delegates who come from these large trade centers come from centers where they sell liquor. Is not that true?

Mr. GOMPERS. From all over the country. I think it would be necessary, Senator, that I should enter just a moment into an explanation, so as to make this a little clearer. For instance, say the carpenters, the United Brotherhood of Carpenters and Joiners of America. That organization has its general headquarters at Indianapolis, Ind. It has perhaps 2,000 local branches or local unions throughout America, and these local unions are the local unions are the local agencies throughout which the United brotherhood transacts its business—the business of conserving, protecting, and promoting the rights and interests of the carpenters and joiners and shipworkers in that locality—and the whole organized body of carpenters throughout the other sections of the country throw the weight of their influence and contributions into any one section for the purpose of furthering the interests of the carpenters and joiners of that locality.

And now, what applies to the carpenters applies to every other national trade union, the bricklayers, if you please, and masons, the granite cutters, though not in quite so large a number, yet having as large a percentage of organization among the granite cutters as the carpenters; or the coal miners or the United Mine Workers of America, with 400,000 men. They are, of course, restricted in locality to the coal mining centers, but in the trades that I have mentioned and nearly all the others, their locals are in every city and town and village in America.

Senator THOMPSON. Will you permit a question in that connection? Are you acquainted with Mr. Millard Price, of San Francisco? I think he was one of the delegates at your convention; at least I had a letter from him at St. Paul while your convention was in session. In this letter he states, dated June 21, 1918, which he addressed to the President, to Mr. Garfield, and to Mr. Hoover, and of which a copy has been sent to me:

I have with me signed statements from representatives of international labor-union officials and delegates to the convention representing over 600,000 labor unionists declaring in favor of war-time prohibition.

That would be a fairly reliable statement, would it not, from your knowledge?

Mr. GOMPERS. I am not so sure; but I would like to ask whether he submitted a list of those names.

Senator THOMPSON. No. That is simply a part of the letter which he addressed to the President.

Mr. GOMPERS. This is simply his statement; and, on the other hand, here is the statement and here are the original signatures of men representing over 2,000,000 of workers, the men who signed this. This is here.

Senator THOMPSON. I can not remember having met Mr. Price personally, and that is the reason I asked you.

Mr. GOMPERS. I am not so very well acquainted with him, but I am not saying it might be true.

Senator THOMPSON. But in a letter addressed to the President, I imagine he would be careful to guard his statements?

Mr. GOMPERS. I imagine he would be, or at least he ought to be; but that would not be in itself an evidence that it was true, or the statement made by Mr. Price is untrue, for you will observe that this petition or protest contains the names of the officers of the organizations representing over 2,200,000 workers, and if Mr. Price's statement is founded upon truth, it accounts for 600,000 workmen who either were not represented at the convention or whose names he may have obtained.

Senator THOMPSON. Individual signers, as I understand his statement.

Mr. GOMPERS. That may be true. I do not know. I am not in a position to dispute it. I am in a position to say that this is authentic and representing the men I am speaking of.

Senator KENDRICK. I recommend, because of our limited time, that Mr. Gompers be allowed to finish his testimony without further interruption.

Senator THOMPSON. There is just a question I want to ask. I think it is rather important in this connection. Of course, if the Senator objects, I won't ask it.

Senator KENDRICK. I do not object, but it occurs to me we are losing time.

Senator THOMPSON. I am trying to elicit the facts. I want to ask you one question about this paper you submit.

Mr. GOMPERS. Pardon me; I did not submit it.

Senator THOMPSON. I mean, that you referred to. I did not mean to say that you submitted that here, but you do not regard that as representing all of the individual membership of 2,000,000, simply because the head signed it?

Mr. GOMPERS. No.

Senator THOMPSON. It does not represent the sentiment?

Mr. GOMPERS. But I do know that these men are representative of the membership of their organizations, as thoroughly and absolutely as any representative in either House of Congress represents his constituency, either in the individual citizens or in the State.

Senator KENYON. But they often disagree with us.

Mr. GOMPERS. Sir?

Senator KENYON. Those we represent often disagree with us.

Mr. GOMPERS. And they often disagree with these men, and hence the care that these men exercise about the document to which they placed their signatures.

Senator THOMPSON. In a matter of this kind, the signature for the person himself would account for more in representing his feeling or sentiment.

Mr. GOMPERS. There is one thing I desire to say. I notice a statement made by Mr. Bryan in his testimony where, in Denver, the question of prohibition was carried by 14,000 votes—a majority of 14,000. I made inquiry and am informed that there were about 160,000 or 170,000 votes cast in that election, when that question was decided, and it was carried and declared with great emphasis and pleasure. It was carried by 14,000 majority. Now 14,000 majority out of 160,000 or 150,000 votes is not so very much comfort to the minority which has been outvoted. I am such an American who believes in the majority rule, but I am such an American, too, that I believe that the rights of the minority have to be protected. The question of a majority of voters determining the ordinary, every-day habits of life in the home—these questions must then be determined by majorities or by law? It will not do to attempt to examine human beings, workmen, as if they were bugs and their every movement to be decided without consideration of the individual.

There are a number of men, a large number of men, who have been since their childhood or young boyhood or girlhood, made acquainted with the fact that part of a meal is a glass of beer or a glass of light wine. I am not going to say that that is a good thing. I am not an advocate of liquor drinking or beer drinking or, for that, wine drinking. I know simply that that is the fact.

Senator GRONNA. That is really the important matter, the personal habits, I mean.

Mr. GOMPERS. The personal habit, and to undertake to settle this question at this time is to my mind to throw the apple of discord among the people of our country. We have all done something. I have tried to unite the people of this country in sentiment, to bring about a feeling of solidarity and united action. I have taken some chances in doing that, some desperate chances, but that mattered nothing. I am as firmly convinced that nothing could be of greater injury than the introduction of this question at this time, than to have men go broadcast and preach antigovernment, antimilitarism, and antipatriotism at this time.

Senator GRONNA. Do you believe that the conservation of food is an important one in this matter?

Mr. GOMPERS. I have helped some—and I preface my answer by saying that I have helped some—I mean in the encouragement or the appeals to the Members of Congress of both Houses to hurry along the food regulation bill of July of last year, of July, 1917, and in it was contained a provision that the distillation of whisky should be stopped at once, or within a certain number of days after; and that the question of beer and light wines, their moderation, their total prohibition, should be placed in the hands of the President of the United States, and I am perfectly willing to take my chances with the President of the United States rather than with the faddists who now pretend before the people of the United States to advocate



immediate prohibition upon the ground of food conservation, when they were just as vehement in demanding prohibition when there was no war or food question before the people at all. It is hypocrisy, pure and simple, to pretend that this bill is urged upon the ground of food conservation. It would not make a particle of difference if this war had not come, if this war were to end to-morrow, it would not change the purpose of the faddists on prohibition. They would simply change their tack.

Senator GRONNA. Admitting that to be true, is it not also true that it would conserve 60,000,000 bushels of grain in the manufacture of beer?

Mr. GOMPERS. Yes, sir; and when the President of the United States, the Commander in Chief of the Army and Navy of our country, with his advisers in the administrative affairs of our country, shall come to the conclusion that the production of beer shall be minimized or stopped, you will not hear a word of murmur or protest emanating from the lips of the men of labor.

Senator GRONNA. Is it your understanding, then, that the President is opposed to this bill?

Mr. GOMPERS. I understand nothing of the kind, but I do have some reasoning power. I have never discussed this matter with the President. I have never had the pleasure or the honor to do so. And I want to just as much as I can emphasize the fact that I do not express his view upon it; but if ever a President has been harassed and, as one of the gentlemen said here this morning, pestered by a number of people perhaps well intentioned but faddists, theorists, academicians, and having no practical knowledge of the human side of life, he has been pestered and harassed until he has evidently thrown up his hands and said, "Now, do just as you please. You have got to bear the responsibility."

Senator GRONNA. I am asking the question in no spirit of contention. I just wanted to get at the facts. I thought perhaps you knew.

Mr. GOMPERS. The President has his own agencies through which he makes known his views, and I am not one of them.

The men who have signed this petition and protest are representative in character, and they know their people. These men are not drunkards; these men are not heavy drinkers. They do indulge themselves to a very large extent with a glass of beer at their meals, and to take that away from them breaks up a life-long habit, and I ask you gentlemen whether we have not enough to contend with in the United States to maintain the unity of our people without attempting to interject this controversial subject?

American men drink a glass of beer, but we have in the United States about 12,000,000 of people of Teutonic birth or Teutonic origin. There can be no question that the drinking of beer is a habit of these people. We are asking them, or we are insisting upon them, that they shall be and act 100 per cent American. They probably may think Germany, but they are not permitted to think aloud, and they ought not to be permitted to think aloud, and I hope they do not even think Germany or Germanism; but I ask you gentlemen, Is it not a sufficient test of the loyalty to which these men are put without tearing at their everyday habit of life?

If the President shall, with the power invested in him, say "Quit to-morrow," every mother's son must quit, either drinking or producing it; but there is no evidence that such a need exists or is expected to exist.

I have heard the question asked this morning about the bartenders and barbers who were taken out of the saloon business and put to work, and whether that is not a good thing. Oh, I am not going to dispute it, but I want to add another line of people who could be very well spared, and that is a large number of lawyers in our country. If there be anything unproductive and parasitical it is a large number of the lawyers of America.

Senator KENYON. We will get up no argument on that.

Mr. GOMPERS. With every decent lawyer I have found myself in entire accord upon that subject.

You heard the statement made in regard to the improved conditions in West Virginia and Detroit. I might say to you that, so far as wages and hours and conditions of labor in West Virginia are concerned, they stand at the low ebb mark of American industrial life.

I might recall to you an incident which occurred on last Thursday at St. Paul during our convention. After the election of officers, the question then was to be decided as to the next place in which the annual convention of the American Federation of Labor was to be held, a year hence, and there were some cities placed in nomination, and the man, the delegate representing the central organized labor body of Detroit, urged the delegates to choose Detroit for 1919, and the strong reason he urged for the convention of 1919 to go to Detroit was that it was the lowest waged, and, using his own words, "the worst scab city in the whole country." They decided not to go there. What was conveyed was that the wages and hours and the conditions of the workers had become worse in Detroit.

I listened this morning to a reading of telegrams and statements, letters, etc., coming from employers and superintendents and foremen and what-not, and lawyers and bankers, but you have not heard one word from the men who work as wage earners, except through Mr. Proebstle.

I speak for the men for work, and I hope that you will not make the struggle of the organized-labor movement to maintain the unity of America harder than it is. With all the diverse nationalities in the United States, can you understand the German propaganda here, the opportunity it would give to them to play upon the people who are accustomed to drink a glass of beer—what it will mean to them—the opportunity that it will give to them, in their homes, in their factories, in their workshops, in the mills, and in the mines, in their associations, in their unions? Just think what it would mean if you were to pass a law of this character for the German propagandists to go into an association or call a meeting, or get into the unions somehow and somewhere, and say, "Look here; this is what Congress has done to you. It has even taken your glass of beer away."

It is a very laughable thing to those who can drink wine and have all of the other opportunities of life.

The labor movement, by its effort to secure the eight-hour work-day, a shorter workday, by securing higher wages improved conditions, has been instrumental in making the workers more temperate. There are more nondrinking union workmen in the United

States now than I have ever known in all my life, and the number of total abstainants is growing, but as a voluntary act, and I know of no men who are such militant antiprohibitionists as are the total abstaining, active, union men of America.

I have said that we have enough to do. The subtlety of the propagandists is not entirely known to you. The subtlety of the German propaganda is not entirely known to the Department of Justice or to the Intelligence Department of the Army or of the Navy, either here or on the other side. The subtlety of it—the greatest subtlety of it—to divide the people of the United States, we find expressed here and there in the labor movement, and if permitted to grow, would grow to such disaffection as would lead I do not know where, but somewhere that would bode no good to us or to our country.

There is also a matter which was not adopted officially by the American Federation of Labor, but which had all its binding effect and influence upon the workers of America: I called a conference of the representatives of workers of America to meet in Washington on March 12, 1917. That day and evening a long discussion ensued as to what the attitude of labor should be, whether we would be at peace or at war. It was about a month before the President appeared before Congress. I would like to make this declaration a part of the record.

Senator SMITH. Without objection, that will be done.

The paper referred to is as follows:

#### AMERICAN LABOR'S POSITION IN PEACE OR IN WAR.

WASHINGTON, D. C., *March 12, 1917.*

A conference of the representatives of the national and international trade-unions of America, called by the executive council of the American Federation of Labor, was held in the American Federation of Labor Building, March 12, 1917, in which conference the representatives of affiliated national and international trade-unions and the railroad brotherhoods participated.

The executive council of the American Federation of Labor had the subject matter for three days under advisement prior to the conference and submitted a declaration to the conference. The entire day was given over to a discussion of the recommendation and such suggestions as were submitted. After a thorough discussion the following document was adopted by a unanimous vote:

"We speak for millions of Americans. We are not a sect. We are not a party. We represent the organizations held together by the pressure of our common needs. We represent the part of the Nation closest to the fundamentals of life. Those we represent wield the Nation's tools and grapple with the forces that are brought under control in our material civilization. The power and use of industrial tools is greater than the tools of war and will in time supersede agencies of destruction.

"A world war is on. The time has not yet come when war has been abolished.

"Whether we approve it or not, we must recognize that European war, involving as it does the majority of civilized nations and affecting the industry and commerce of the whole world, threatens at any moment to draw all countries, including our own, into the conflict. Our immediate problem, then, is to bring to bear upon war conditions instructive forethought, vision, principles of human welfare and conservation that should direct our course in every eventuality of life. The way to avert war is to establish constructive agencies for justice in times of peace and thus control for peace situations and forces that might otherwise result in war.

The methods of modern warfare, its new tactics, its vast organization, both military and industrial, present problems vastly different from those of previous wars. But the Nation's problems afford an opportunity for the establishment of new freedom and wider opportunities for all the people. Modern warfare in-



cludes contests between workshops, factories, the land, financial, and transportation resources of the country involved, and necessarily applies to the relations between employers and employees, and as our own country now faces an impending peril it is fitting that the masses of the people of the United States should take counsel and determine what course they shall pursue should a crisis arise necessitating the protection of our Republic and defense of the ideals for which it stands.

In the struggle between the forces of democracy and special privilege, for just and historic reasons the masses of the people necessarily represent the ideals and the institutions of democracy. There is in organized society one potential organization whose purpose is to further these ideals and institutions—the organized-labor movement.

In no previous war has the organized-labor movement taken a directing part.

Labor has now reached an understanding of its rights, of its power and resources, of its value and contributions to society, and must make definite constructive proposals.

It is timely that we frankly present experiences and conditions which in former times have prevented nations from benefiting by the voluntary, whole-hearted cooperation of wage earners in war time, and then make suggestions how these hindrances to our national strength and vigor can be removed.

War has never put a stop to the necessity for struggle to establish and maintain industrial rights. Wage earners in war times must, as has been said, keep one eye on the exploiters at home and the other upon the enemy threatening the National Government. Such exploitation made it impossible for a warring nation to mobilize effectively its full strength for outward defense.

We maintain that it is the fundamental step in preparedness for the Nation to set its own house in order and to establish at home justice in relation between men. Previous wars, for whatever purpose waged, developed new opportunities for exploiting wage earners. Not only was there failure to recognize the necessity for protecting rights of workers that they might give that whole-hearted service to the country that can come only when every citizen enjoys rights, freedom, and opportunity, but under guise of national necessity labor was stripped of its means of defense against enemies at home and was robbed of the advantages, the protections, the guaranties of justice that has been achieved after ages of struggle. For these reasons workers have felt that no matter what the result of war, as wage earners they generally lost.

In previous times labor has had no representatives in the councils authorized to deal with the conduct of war. The rights, interests, and welfare of workers were autocratically sacrificed for the slogan of "national safety."

The European war has demonstrated the dependence of the Governments upon the cooperation of the masses of the people. Since the masses perform indispensable service, it follows that they should have a voice in determining the conditions upon which they give service.

The workers of America make known their beliefs, their demands, and their purposes through a voluntary agency which they have established—the organized-labor movement. This agency is not only the representative of those who directly constitute it, but it is the representative of all those persons who have common problems and purposes but who have not yet organized for their achievement.

Whether in peace or in war the organized-labor movement seeks to make all else subordinate to human welfare and human opportunity. The labor movement stands as the defender of this principle and undertakes to protect the wealth producers against the exorbitant greed of special interests, against profiteering, against exploitation, against the detestable methods of irresponsible greed, against the inhumanity and crime of heartless corporations and employers.

Labor demands the right in war times to be the recognized defender of wage earners against the same forces which in former wars have made national necessity an excuse for more ruthless methods.

As the representatives of the wage earners we assert that conditions of work and pay in Government employment and in all occupations should conform to principles of human welfare and justice.

A nation can not make an effective defense against an outside danger if groups of citizens are asked to take part in a war though smarting with a sense of keen injustice inflicted by the Government they are expected to and will defend.

The cornerstone of national defense is justice in fundamental relations of life—economic justice.

The one agency which accomplishes this for the workers is the organized-labor movement. The greatest step that can be made for national defense is not to bind and throttle the organized-labor movement but to afford its greatest scope an opportunity for voluntary effective cooperation in spirit and in action.

During the long period in which it has been establishing itself the labor movement has become a dynamic force in organizing the human side of industry and commerce. It is a great social factor which must be recognized in all plans which affect wage earners.

Whether planning for peace or war the Government must recognize the organized-labor movement as the agency through which it must cooperate with wage earners.

Industrial justice is the right of those living within our country. With this right there is associated obligation. In war time obligation takes the form of service in defense of the Republic against enemies.

We recognize that this service may be either military or industrial, both equally essential for national defense. We hold this to be incontrovertible, that the Government which demands that men and women give their labor power, their bodies, or their lives to its service should also demand the service, in the interest of these human beings, of all wealth and the products of human toil—property.

We hold that if workers may be asked in time of national peril or emergency to give more exhausting service than the principles of human welfare warrant, that service should be asked only when accompanied by increased guaranties and safeguards and when the profits which the employer shall secure from the industry in which they are engaged have been limited to fixed percentages.

We declare that such determination of profits should be based on costs of processes actually needed for product.

Workers have no delusions regarding the policy which property owners and exploiting employers pursue in peace or in war and they also recognize that wrapped up with the safety of this Republic are ideals of democracy, a heritage which the masses of the people received from our forefathers, who fought that liberty might live in this country—a heritage that is to be maintained and handed down to each generation with undiminished power and usefulness.

The labor movement recognized the value of freedom and it knows that freedom and rights can be maintained only by those willing to assert their claims and to defend their rights. The American labor movement has always opposed unnecessary conflicts and all wars for aggrandizement, exploitation, and enslavement, and yet it has done its part in the world's revolutions, in the struggles to establish greater freedom, democratic institutions, and ideals of human justice.

Our labor movement distrusts and protests against militarism, because it knows that militarism represents privilege and is the tool of special interests, exploiters, and despots. But while it opposes militarism, it holds that it is the duty of a nation to defend itself against injustice and invasion.

The menace of militarism arises through isolating the defensive functions of the State from civic activities and from creating military agencies out of touch with masses of the people. Isolation is subversive to democracy—it harbors and nurtures the germs of arbitrary power.

The labor movement demands that a clear differentiation be made against military service for the Nation and police duty, and that military service should be carefully distinguished from service in industrial disputes.

We hold that industrial service shall be deemed equally meritorious as military service. Organization for industrial and commercial service is upon a different basis from military service—the civic ideals still dominate. This should be recognized in mobilizing for this purpose. The same voluntary institutions that organized industrial, commercial, and transportation workers in times of peace will best take care of the same problems in time of war.

It is fundamental, therefore, that the Government cooperate with the American organized labor movement for this purpose. Service in Government factories and private establishments, in transportation agencies, all should conform to trade union standards.

The guaranties of human conservation should be recognized in war as well as in peace. Wherever changes in the organization of industry are necessary upon a war basis, they should be made in accord with plans agreed upon by representatives of the Government and those engaged and employed in the in-

dustry. We recognize that in war, in certain employments requiring high skill, it is necessary to retain in industrial service the workers especially fitted therefor. In any eventuality when women may be employed we insist that equal pay for equal work shall prevail without regard to sex.

Finally, in order to safeguard all the interests of the wage earners, organized labor should have representation on all agencies determining and administering policies for national defense. It is particularly important that organized labor should have representatives on all boards authorized to control publicity during war times. The workers have suffered much injustice in war times by limitations upon their right to speak freely and to secure publicity for their just grievances.

Organized labor has earned the right to make these demands. It is the agency that, in all countries, stands for human rights and is the defender of the welfare and interests of the masses of the people. It is an agency that has international recognition which is not seeking to rob, exploit, or corrupt foreign governments, but instead seeks to maintain human rights and interests the world over, nor does it have to dispel suspicion nor prove its motives either at home or abroad.

The present war discloses the struggle between the institutions of democracy and those of autocracy. As a Nation we should profit from the experiences of other nations. Democracy can not be established by patches upon an autocratic system. The foundations of civilized intercourse between individuals must be organized upon principles of democracy and scientific principles of human welfare. Then a national structure can be perfected in harmony with humanitarian idealism—a structure that will stand the tests of the necessities of peace or war.

We, the officers of the national and international trade unions of America in national conference assembled in the capital of our Nation, hereby pledge ourselves in peace or in war, in stress or in storm, to stand unreservedly by the standards of liberty and the safety and preservation of the institutions and ideals of our Republic.

In this solemn hour of our Nation's life it is our earnest hope that our Republic may be safeguarded in its unswerving desire for peace; that our people may be spared the horrors and the burdens of war; that they may have the opportunity to cultivate and develop the arts of peace, human brotherhood, and a higher civilization.

But, despite all our endeavors and hopes, should our country be drawn into the maelstrom of the European conflict, we, with these ideals of liberty and justice herein declared, as the indispensable basis for national policies, offer our services to our country in every field of activity to defend, safeguard, and preserve the Republic of the United States of America against its enemies whomsoever they may be, and we call upon our fellow workers and fellow citizens in the holy name of labor, justice, freedom, and humanity to devotedly and patriotically give like service.

Issued by American Federation of Labor, American Federation of Labor Building, Washington, D. C.

SAMUEL GOMPERS, *President.*

FRANK MORRISON, *Secretary.*

Mr. GOMPERS. I would like at this time to read from that declaration two or three paragraphs:

We, the officers of the national and international trades unions of America in national conference assembled in the capital of our Nation, hereby pledge ourselves, in peace or in war, in stress or in storm, to stand unreservedly by the standards of liberty and the safety and preservation of the institutions and ideals of our Republic. In this solemn hour of our Nation's life it is our earnest hope that our Republic may be safeguarded in its unswerving desire for peace; that our people may be spared the horrors and the burdens of war; that they may have the opportunity to cultivate and develop the arts of peace, human brotherhood, and the higher civilization.

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There are certain fundamental principles laid down in that declaration, and one of them I might indicate is that while we are fighting for freedom and democracy in France, we propose to stand by the freedom and democracy of the people of our own country while the war is going on. More than likely some of you gentlemen have heard of the experience of the farmer who has his farm hands working for him. You have heard time and again that farm hands will not accept employment unless they are assured in advance that they shall have their regular quota or supply of hard cider. You tell these men that it is not good for them, and probably they will listen to you, and after listening to you they will tell you what they think of you. They may tell you, perhaps, that they are not interfering with your business.

I am not a college professor—you may have discovered that long before this—nor am I graduate from any university or college or high school. I am the product of the factory, and I worked for my living at my trade for 26 years, and I know whereof I speak, and I protest against having my shopmates looked into as if they were bugs and treated as if they were inanimate things without sense or understanding or feeling or desire or wills of their own. I say that I worked in the factory for 26 years with my shopmates, and I know that the lunch that they have taken with them from home nearly dried out when it came noon, and two or three of them would chip in for 6 or 7 or 8 cents and send one of the boys for a pint of beer in a can, and that was done most generally, and they would sit and read and talk for the balance of the hour.

I concede that it is not a very dignified position for any human being to stand with a can, a growler, if you please, because I want to put it upon the most brutal ground; it is not dignified to find a man or four or five or six or seven men sitting in front of an excavation or within an excavation at the noon hour and putting a can of beer to his mouth and swilling it. Neither is it the work of a dilettante to dig ditches. You live the life of the workman and you will know something of it.

I shall not make any representation to you which I do not thoroughly believe or which I do not know. In Russia very shortly after the war broke out an order was issued, the abolition of the production or the manufacture of vodka, the national booze of Russia, and its sale was prohibited, as well as its manufacture. Within a year after that I saw in the Chicago Tribune an article by a great student, Victor Yarros, who, after a thorough investigation, came to the conclusion from the facts that he had examined and the facts that he had investigated, that there was more alcoholism in Russia after vodka was prohibited than before; more in the hospital, more imprisoned, and more suffering in their private homes. This fact is true, that the mind of the Russian people acted in such a manner, wholly apart and wholly unexpectedly and in a most peculiar way manifested itself. The revolution, which every liberty-loving man and woman acclaimed with joy, turned over, and a chaos and confusion existed with greater tyranny, greater brutality, or denial of rights, than existed even during the régime of the Czar.

Now, I am not going to assert that this peculiar condition—not the revolution itself, but the peculiar state of disaffection, of failure to

coalesce, failure to compromise, failure to form an established government that could have the respect of the peoples of the country, humiliating, the surrender to kaiserism, to crawling upon hands and knees to beg of it, and that they now have neither peace nor liberty nor land nor anything that the extremists wanted them to get; they made their miscalculation, if they had any brains to calculate at all, by thinking that they could create a revolution in Germany and Austria—all gone astray. I heard it said to me by men who have been in Russia—I am not saying it upon my own authority, because I think I have some understanding of what the responsibility of an important statement amounts to, and I would not make one that I did not know to be absolutely true—it has been stated to me positively that there is no question in the minds of investigators that the cause and effect has been the abrupt shutting off of the opportunity of securing alcoholic drinks, the stoppage of the production and sale of vodka or whisky of any kind, and that this has had much to do with the disarrangement, with the ordinary action and thinking of the Russian people.

Senator THOMPSON. You say these were reliable people that you were talking to?

Mr. GOMPERS. If I thought they were not, I should have dismissed it.

Senator THOMPSON. I mean, with a knowledge of the facts?

Mr. GOMPERS. With a knowledge of the facts. I mentioned the name of the gentleman whose articles I referred to, which were published two years ago.

Senator THOMPSON. That was one of the gentlemen?

Mr. GOMPERS. Victor Yarros; yes, sir.

Senator THOMPSON. Would it be objectionable to you to state the names of the others?

Mr. GOMPERS. I should prefer not to. I want you to believe, gentlemen, that the men of labor and the women of labor are wholeheartedly in this game, this war, this crisis, without any reservation. We will give up everything. We will make every sacrifice, if the time shall come when it shall be necessary. You do not have to ask us to do it. We will do it. We will precede you. Our men, our boys, our children, our sons, are over there. I did not have the exact data furnished me when I was at the convention, but I tried to ascertain the number of sons that the delegates had in the military and naval service, and then to get the blood relations, but it was tremendous.

When I was at the convention of the United Mine Workers of America in Tomlinson Hall, in Indianapolis, there was a service flag covering the entire ceiling of that tremendous hall, and on it were 19,665 stars. It is impossible to tell you in words, particularly now, of what our men are doing and what our women are doing. I have no boys eligible now under the law for service. They are not only beyond the age, but they have families. But the time may come when they will have to go. I have a grandson named after me, 18 years of age, and he volunteered in the Aviation Service over a year ago, and he is "over there" and flying and fighting; and I have six nephews and seven cousins and a whole slew of this wide range of the Gompers family who are fighting, and anybody who would not fight could not be of my blood and of my name, if I could help it.

I ask you gentlemen. Do not make the task that we have in hand harder by the adoption of any such proposition as prohibition, at any rate not at this time.

I thank you.

The CHAIRMAN. The committee may have to depart to the Senate at any moment to vote. There is a vote imminent in the Senate. Mr. Dinwiddie, we will be glad to hear you now.

**STATEMENT OF REV. EDWIN C. DINWIDDIE, REPRESENTING THE ANTISALOON LEAGUE OF AMERICA AND ALLIED ORGANIZATIONS.**

MR. DINWIDDIE. I am not going to take very much time myself, Mr. Chairman. I did not avail myself of the opportunity which was given me at the hearings last week to extend my remarks, because immediately following that this subsequent hearing was arranged, and I thought I might be able to get in what I wanted to say at this time. But, in view of the situation that you have disclosed, I will consider that that courtesy is reextended, if you will let me do so.

The CHAIRMAN. We are pleased to hear you, and you may add as previously agreed.

MR. DINWIDDIE. In view of that, I am going to say very little about the general proposition now.

I think it is hardly a fair statement which was made by several of the gentlemen on the other side this morning, that we are here, as the proponents of this legislation, attempting to take advantage of the war situation that the country faces to-day. That is wide of the truth. We are not trying to put anything over anybody. We are just as clearly earnest and patriotic in our endeavors to do this, particularly now as a part of the scheme to win the war, as the other men may be in showing their opposition to this proposed legislation. We may be wrong, but there are millions of people in this country who honestly believe that the prohibition of the manufacture and sale of intoxicating liquors, and thereby the saving of foodstuffs that are now used in their production and the resulting efficiency of both will tremendously hasten the conclusion of this war.

The question was asked as to whether we had any testimony from the Food Administration, and Senator Kenyon this morning read from the letter which Mr. Hoover addressed to Senator Sheppard upon this proposition, setting forth the fact that after the reduction which the Food Administration ordered, under the authority of the food act of last summer, there is still in the neighborhood, allowing 30 per cent comeback in by-products or cattle feed as claimed—of about 40,000,000 bushels of foodstuffs used in the manufacture of beer alone. I do not know what these gentlemen of the opposition may think about it. They say, "When it is apparent that we need to conserve this way, we will begin to do it."

I saw in the papers the other day that Mr. Hoover said something to the people who had interrogated him upon the food situation, to the effect that he believed we could take a lesson from the experience of the Children of Israel in the Egyptian days, when in the "fat years" they began to lay up for the "lean years." To-day we have a good crop prospect—I will admit that: I am thankful for it. But there is not any man living that can hazard an opinion as to what



that prospect may be two weeks from now; and if we have the record crop we hope for, there is no man to-day who can hazard a guess as to how many of the ships will come across overseas unharmed. I take it that we are trifling with fate, Mr. Chairman and Senators, when we waste a single bushel that can be legitimately saved for ourselves and our allies, and that is the proposition upon which we are proceeding as temperance people, and which the Food Administration is urging upon the people every way.

We are asked to stop, and we are stopping, some of us not because we want to, for the sake of victory in the war "tickling our appetites" and catering even to the legitimate wants of the human system, but some of us are now accustomed to doing without wheat bread, which we like, and which harms nobody. We are eating classes of bread—if some of you have traveled like I have over the country you will appreciate what I mean—that we do not enjoy eating very much. But we are willing to do it and we are doing it, and we will continue to do it, and eat even less of these, if we have to, in order to do our part in winning this war. We are willing to be called "faddists," if that is necessary; academicians, if that seems to be the right term to apply to us, but we absolutely deny the proposition that we are here as advocates of an "experiment."

This proposition has gotten beyond the realm of experiment. We have tried prohibition out in 28 States of the Union now, and the universal testimony we have submitted before this committee and will submit is to the effect that nowhere has the efficiency of people been reduced because of the operation of that principle and policy, but that it has been increased; that men have been more regularly at work, producing a larger output in the factories and mines and mills and shipyards, and we propose to show further, as we have partly done already, that the statement which seems to cause the nightmare before the Shipping Board is absolutely without foundation in fact, from the experience everywhere, namely, that men will leave their work if they can not have beer in the surrounding territory.

That has not been done anywhere and we are here to-day, gentlemen of the committee, talking about what the experience has been in places where this system has been tried in comparison with the system of open saloons everywhere.

I have here, and it will not take a moment to read it, a very brief statement from the President of the Milburn Coal Co., of Charleston, W. Va., about two and a half years old, not long after West Virginia had prohibition go into effect and had been fairly tried. I hazard nothing in saying that you Senators are as familiar with labor conditions in West Virginia as I happen to be. There is a large foreign element in West Virginia, as we speak of our "foreign element," a great many of them being in the mines of that State, and if there was any place where we had the right to be alarmed at the class of warning given by the opposition now it was the situation among the laboring element in West Virginia at the time they had prohibition introduced there. He writes this letter to the head of the State Tax Commission of West Virginia, Hon. Fred C. Blue, who happens to be a friend of mine. Mr. Blue later incorporated it in a book. I saw the original letter to this gentleman: (Reading:)

[Milburn Coal Co., Milburn, W. Va.]

CHARLESTON, W. VA., *January 27, 1916.*

DEAR SIR: About a week ago two or three of our foreign miners came to the office and said that now that their whisky was taken away from them they had nothing to do in the evening, and wanted to know if we would not start a night school so they could learn to read and write our language. I can assure you we lost no time in arranging a night school for these men. At the first meeting there were 14 men attending, and indications are there will be 20 to 25 who in the near future will be benefiting themselves mentally and otherwise, instead of injuring both body and mind.

Yours, sincerely,

P. M. McCLANAHAN, *President.*

Senator GRONNA. In the 28 States you mention, Mr. Dinwiddie, has it been your experience that labor has loyally and patriotically accepted these conditions as people in any other locality?

Mr. DINWIDDIE. Absolutely, Senator. Not only that, these conditions which some of these men seem to fear are likely to occur, I maintain would be more apt to come in peace times than now, because everybody has the incentive now of making sacrifice and putting up with conditions which we might not ordinarily enjoy and against which we might in normal times inveigh. But even in peace times these dire predictions of disaster and revolt on the part of labor people, the inadequacy of the labor supply which they have held up to us as threatening with the possibility of prohibition coming, were not realized anywhere in peace times. They were not realized in Seattle; they were not realized in Portland, Oreg.; they were not realized in Denver; they have not been realized anywhere with the advent of prohibition. These industrial centers have not only held practically the labor which they had, but they have increased the efficiency and productivity of the labor which they had, and thereby have been largely gainers by the adoption of that policy.

The gentlemen who are from Detroit will advert to this, doubtless, but I saw a statement the other day concerning Mr. Ford's plant in the city of Detroit, where the general manager in charge of the labor end of the proposition said that they could really afford to lose half of the absentees that they formerly lost all the time during the saloon régime in Detroit and let them go to another State if they wanted to, because the continued presence of the remaining half of the average number of absentees, together with the increased efficiency of the employees generally in the establishment, would more than make up for the loss they might sustain, but which, as a matter of fact, they have not sustained.

Senator GRONNA. Of course, that would not apply under this bill, if this is enacted into law, because there would be no other place to go?

Mr. DINWIDDIE. I am glad the Senator refers to that. Our opponents are thinking all the time about these men leaving their employment and going some place else. When this proposition is enacted into law they will be like the fellow that was "all dressed up and no place to go." It will be universal or nation-wide prohibition. Mr. Colby jauntily brushed that aside the other day however, with the statement "well, that they would become disaffected;" that is, his confreres thought the men would become dissatisfied and they would not produce the output which otherwise would come.

Mr. Chairman. I do not know how the rest of you feel about it, but it looks to me as if these men have practically cast a stigma upon the workmen of this country that I would not be willing to do. I believe that the workmen of this country are just as patriotic as the Senators of the United States and the rest of us in this country. I do not think they are any more so, but I believe they are as much so, man for man, and I believe that instead of catering to their appetites—the appetites of some of them—along this line if we found any difficulty arising, upon a patriotic appeal to them to do their part in this fight and do as the Secretary of the Navy said this morning, “Be good sportsmen,” and take back among the civilian population what you have in your wisdom and the Commander in Chief in his wisdom, through the War Department and the Navy Department said to the men in uniform in both the Army and Navy, the workmen of the country would respond nobly to that suggestion and practically acquiesce in our national emergency.

I find there is a big temptation to say a lot of things that ought to be said, but we have others here to speak.

Allow me to call attention to this: Mr. Schwab was not here this morning, but Mr. Schwab is connected with one of these boards on shipping. The editor of the *Manufacturers Record*, of Baltimore, Mr. Richard H. Edmonds, sent me a copy of a telegram which he sent to Hon. Ellison D. Smith of your Committee on June 20, and I would like to read that telegram, so that it may go into the record. I do not know whether Senator Smith got it or not [reading]:

MANUFACTURERS RECORD.  
*Baltimore, June 22, 1918.*

MR. E. C. DINWIDDIE.

*Bliss Building, Washington, D. C.*

DEAR SIR: Complying with my telephone promise, I enclose herewith copy of telegram sent on June 20 to Hon. Ellison D. Smith. You are at liberty to publish this, or use it in any way you desire.

I also inclose a batch of clippings, in addition to the specific copy that you asked for, in which the question of prohibition has been discussed.

Very truly, yours.

RICHARD H. EDMONDS, *Editor.*

BALTIMORE, MD., *June 20, 1918.*

HON. ELLISON D. SMITH.

*United States Senate, Washington, D. C.*

In connection with statement made by Mr. Bainbridge Colby that the elimination of beer would lessen the efficiency of ship workmen it may interest you to know that Sparrows Point, the great iron and steel and shipbuilding community controlled by Bethlehem Steel Corporation, was established more than a quarter of a century ago as a strict prohibition territory, its charter forbidding the sale of alcoholic drinks within 3 miles of the center of the town which at that time was a small village. I have never heard that this prohibition has in any way lessened the efficiency of the workmen there, nor did Mr. Schwab, so far as is known, ever consider prohibition a disadvantage when, a few years ago, he purchased the great plants then in operation at that point and since then has spent more than \$50,000,000 in enlarging these plants for the building of ships and the making of steel rails.

RICHARD H. EDMONDS.  
*Editor Manufacturers Record.*

At Sparrows Point, referred to here this morning, is one of the big shipbuilding places.

Addressing myself, in conclusion, to the one particular point as to whether we are going to have a wholesale exodus of laboring men



to some other places, which, as the chairman suggests is not known, when universal prohibition takes effect, or whether the men will do less work, I have here a number of exhibits which have just been sent to me from the State of New Hampshire and from Michigan, and I would state that Michigan is one of the more recent States that have adopted prohibition and in which it has most recently gone into effect. They have just had the chance to compare conditions month by month in the State of New Hampshire. They adopted prohibition a year and a quarter ago, but it just went into effect two months ago.

Exhibit 1 here is from Mr. Crankshaw, of the Nashua Manufacturing Co. I ought to say here, if the Senators have not been in New Hampshire, I am pretty familiar with that State. I have been in practically every city and town in the State. I know conditions in that State pretty well. There is a relatively large foreign population in the State of New Hampshire. Everybody knows that—Greeks, Polaks, Slavs, Lithuanians, and French Canadians and others.

(1) The Nashua Manufacturing Co. employs 1,500 men and Mr. Crankshaw has to do with hiring and discharging the men. They are largely foreigners—Polanders, Lithuanians, and Greeks. You observe what he says about these people. There is a large Polish church in Nashua with a congregation of several hundreds. I phoned Mr. Crankshaw this morning and he says conditions are still improving; he does not know of a single case of the workmen leaving Nashua because of prohibition. He has made inquiry of the other manufacturing plants.

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JUNE 6, 1918.

Rev. J. H. ROBBINS,  
*Concord, N. H.*

DEAR SIR: In reply to your letter of May 31 making inquiries as to the working of the prohibitory law, I would say that in the Nashua Mills we have found no loss of help. Much was said before the 1st of May that there would be a large number of working people moving to Massachusetts, especially Poles and Lithuanians. Then, after the 1st of May many rumors were circulated of the number that left our city. I took the pains to examine our records and found that the average number of male Polanders and Lithuanians who left us each week in April were 2.7 per cent of those whom we employed. For three weeks following the 1st of May of the prohibition that had decreased to 2.5 per cent. I found that we actually made a gain of five male Poles for the month of May in our service. A number of females had left, but we have made the above gain.

Mr. Figal, who is at work here amongst the above nationalities and represents the American Civic League Federation, has informed me that the men generally had come to believe that the law is good and that they were saving more money. The organist of the Polish church also informed me that the Sunday morning congregation had improved considerably in regard to the attendance of men.

So you will see that there is absolutely no truth, as far as we can see, in the report of the situation amongst the people of Nashua in regard to the prohibitory law.

Yours, truly,

BURTON CRANKSHAW.

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JUNE 14, 1918.

Rev. J. H. ROBBINS,  
*Concord, N. H.*

DEAR SIR: The proprietor of one of the leading meat markets of Nashua, N. H., told me the other day that his business on Saturdays had increased from 20 to 25 per cent since the 1st of May. This store is a cash market, and therefore should be a pretty good indication to the effect of the prohibitory law of Nashua, N. H.

Yours, truly,

BURTON CRANKSHAW.

JUNE 1, 1918.

Mr. J. H. ROBBINS, *Concord, N. H.*

DEAR SIR: Your letter of May 31 received, requesting my opinion from the experience and facts coming to my knowledge of the advantages and disadvantages of the prohibition law after one month's trial.

I will say that there are no disadvantages to the prohibitory law as long as it is enforced all over the State, which I believe it will be under the present law, but to have a prohibitory law on the statute books and let liquor be sold as it is at the present time in one of our neighboring States the whole law becomes a farce and would be better under the local-option law.

There is no question in my mind but what the arguments raised in favor of the prohibitory law would be so numerous and well founded the other side would have but few left which would be plausible.

We are a border city to Massachusetts, there being a licensed city only 17 miles distant, and the fact that the number of arrests for the first month, compared to the corresponding month 1917 for drunkenness, fell off about 75 per cent, shows that the streets are cleaner and less liquor drank to excess. I have reason to believe that towns and cities north of Nashua will have a greater per cent decrease in the number of arrests for drunkenness, owing to the fact it will not be as easy to obtain liquor. Persons who persist in bringing quantities of liquor over the State line will later be dealt with under the Federal law.

Replying to your query as to whether workmen are leaving the city to go to licensed cities I will say that I have heard numerous reports regarding it, but do not know of any actual case of their so doing. I did, however, have one manufacturer state to me he never before was able to start up on Monday mornings with as full a force and in as good condition as since this law went into effect.

Very truly, yours,

IRVING F. GOODWIN, *Chief of Police.*

JUNE 3, 1918.

Mr. J. H. ROBBINS,

*Superintendent Anti-Saloon League, Concord, N. H.*

DEAR SIR: Answering yours of the 31st of May, I am very glad to say that so far as we have tried it prohibition for our city is working nicely.

We are "bone dry" and we see the effects of it in the money that the laboring men have to spend. Our Saturday evening business is nearly double what it formerly was, and the men pay cash.

Very truly, yours,

C. L. JENNESS.

Exhibit No. 2 is from Mr. A. B. Jenks, the active manager of the F. M. Hoyt Shoe Co., and his statement follows:

(2) I am very glad to comply with your request for an expression of my opinion as to the results obtained from the first month of prohibition in Manchester, and this opinion is based not alone from my own observation but from the experience of many of our industrial plants here in the city.

It is an indisputable fact that there are at the present time less discharges for causes brought about by intemperance. There are a less number of workmen who fail to report for work the day following pay day than there was before prohibition went into effect.

While there have been reports of men leaving the city in large numbers on account of the prohibition law, I have failed to have these reports substantiated by our manufacturers. On the other hand, I have received expressions of satisfaction on improved conditions in the factories, which have been given to me without hesitation.

From my investigation I am satisfied that the prohibition law has worked thus far most satisfactorily.

Manchester is the metropolitan city of New Hampshire, with a very large foreign population, relatively speaking.

Senator GRONNA. Who is the letter from?

Mr. DINWIDDIE. This is from Mr. A. B. Jenks, of the F. M. Hoyt Shoe Co., employing 2,000 men in the city of Manchester, N. H.

The CHAIRMAN. These people who are leaving might have been connected with the saloons or liquor business.

Mr. DINWIDDIE. Yes. But I have got something here from the chief of police of Manchester in answer to the same question:

(3) There has been more or less talk here about people leaving their work and going out of town because they could not get their liquor, but I have had some inquiry made and found that it is all talk.

Respectfully, yours,

M. J. HEALY, *Chief of Police.*

That is under date of June 4. Here is a subsequent letter under date of June 22, which was written after Mr. Colby made his direful prediction the other day:

Mr. E. C. DINWIDDIE, *Washington, D. C.*

DEAR SIR: At the request of the Rev. J. H. Robbins, president of the Anti-Saloon League of this State, I am writing you as to the conditions in Manchester since the prohibitory law went into effect.

Since the 1st of May the prohibitory law has been in effect in this State and with us in Manchester it has worked well. There was some talk of people having left here on account of being unable to secure their liquor, but inquiry shows this not to be the case. At places where they were supposed to have left it was said that the same number of men were at work and they were working regularly. Some of the employees themselves stated that the prohibitory law was a good thing.

Of course, some people have left the city, but I believe in the majority of instances it was to go to work where more wages were being paid.

So far we are well satisfied.

Respectfully, yours,

M. J. HEALY, *Chief of Police.*

The CHAIRMAN. A good Irishman, no doubt.

Mr. DINWIDDIE. Undoubtedly, from the name.

Now, without reading, Mr. Chairman and Senators, if you will allow me, I have here for the record a number of telegrams which Senator Kenyon had delivered to him by Senator Jones and myself, in specific answer in many cases and some voluntarily from these people, to inquiries regarding the real issues that I take it are before your committee, in view of the statements that emanated from the Shipping Board. To show you that the Senator, and in a few instances myself, did not ask for the kind of testimony that we wanted, but simply put it up to these people to state the facts, I will read the telegram which the Senator addressed to seven or eight of the leading coal producers in West Virginia. We take West Virginia because it is a very important mining State, with a large foreign population, and where they have had experience recently under both régimes. I do not think it is any stretch—some of these men in opposition seem to think that we are stretching things—to ask that this be done now; that we are trying to get, under the stress and pressure of war, something that we would be just as anxious to have and just as insistent upon having if the war was not here. That is true with regard to prohibition, per se, but with regard to the manner in which we undertake to do it, it is not true. I do not hesitate to say—and I do not believe any of the proponents of our legislation would undertake to say for a minute that we would be here asking for this emergency legislation if it were not for the emergency—the war situation—but there is no stretch of imagination to link coal production up with this war. We have got an Army in the field and in training in this country and in France. It is absolutely necessary to equip



that Army with the munitions of war, to feed that Army, to clothe that Army, to get it even on the scene of action. It is necessary for our factories to be at their best in order to produce the things that we need.

The Senator wired these men:

Statements were made at hearing to-day on war prohibition before Senate Committee on Agriculture to effect prohibition would interfere with output of coal and building of ships. Please wire me, charges collect, brief statement setting forth facts as to experience your State under saloon régime and under prohibition.

WESLEY L. JONES,  
*United States Senator.*

I would like to file the answers to these requests from the governor down, which, without exception, go to prove that they not only did not lose their labor, but their labor became more efficient, and altogether in the reduction of crime and, I presume, securing of contentment on the part of the men, prohibition has operated to the immense advantage of the mining industry in this State.

Senator GRONNA. These telegrams are in line with the testimony given by the Secretary of the Navy and Senator Sutherland?

Mr. DINWIDDIE. Absolutely, Senator.

HON. WESLEY L. JONES,  
*United States Senator, Washington, D. C.*

In answer to your wire, we do not build ships in West Virginia, but we are aiding indirectly in their construction by producing approximately 90,000,000 tons of coal annually. Production would be materially increased and our general condition bettered if the sale of liquor in adjoining States were prohibited. Prohibition has not only increased labor efficiency in this State, but has lessened crimes of serious character and bettered living conditions. Despite the State's efforts and the expenditure of a considerable sum of money annually, the importation of liquor from adjoining States can not be prevented entirely.

JOHN J. CORNWELL, *Governor.*

WESLEY L. JONES,  
*United States Senate, Washington, D. C.*

Your telegram 19th. Twenty years' experience constructing and operating railroads; 19 years' experience developing and operating the largest coal plants in our State; a lifelong student of prohibition and its effect upon labor and industry, am positive that a greater quantity of labor and production from it is accomplished under "dry" than can be accomplished under "wet" conditions. No man who has at heart the safety and welfare of this country or our boys in France would oppose national prohibition at this time unless he is unduly influenced by the liquor interests, is my opinion. I would be glad to appear as a witness before the Senate committee if requested.

J. W. DAWSON,  
*President K. & M. Ry. Coal Shippers' Association.*

HON. WESLEY L. JONES,  
*United States Senator, Washington, D. C.:*

Coal men of this State estimate they can produce 20 per cent more coal where the miners are not in the neighborhood of saloons. Less drink means more coal and prosperity for the miners. Not one operator in one hundred would say otherwise.

GEO. S. STRADER.

WESLEY JONES,  
*Senate, Washington, D. C.:*

Prohibition in this district has not interfered with coal production, but on the contrary has been helpful. Conditions in every respect under prohibition are better.

S. A. SCOTT,  
*New River Coal Co.*

WESLEY L. JONES,  
*United States Senator, Washington, D. C.:*

It is my experience, and I think actual experience of all coal operators in this State, that prohibition has been of immense advantage toward increasing the efficiency of all employees. Conditions would be still much improved if it were impossible to get intoxicants from neighboring States.

JOHN L. DICKINSON.

WESLEY L. JONES,  
*United States Senator, Washington, D. C.:*

Prohibition in West Virginia has very much helped to increase output of coal. Miners work instead of getting drunk.

BECKLEY, W. VA.

W. H. HARDIN.

PUYALLUP, WASH., June 20, 1918.

Senator W. L. JONES,  
*Washington, D. C.:*

Statement of Bainbridge Colby that elimination of beer will reduce efficiency 25 per cent is absurd. Our experience in this State proves conclusively it will increase their efficiency full 25 per cent. We are building ships out here and are in position to know. Prohibition has proven greatest possible help to manufacturing plants of every kind. When prohibition was under consideration 90 per cent of our business men were opposed, account honestly believing it would be harmful. After fair trial fully 95 per cent heartily approve. Eliminating of liquor is patriotic duty.

W. H. PAUL HAMUS.

Mr. DINWIDDIE. I have here a telegram sent to the Hon. George F. Cotterill—some of you know him. I take it—the ex-mayor of Seattle, and State senator of that State. I will just read the telegram, because this was signed by myself, indicating that we simply asked for facts, and that we did not ask them to color the testimony, and then to put in Senator Cotterill's reply:

HON. GEORGE F. COTTERILL,  
*2501 West View Drive, Seattle, Wash.*

Bainbridge Colby, speaking for Commissioners of United States Shipping Board, Wednesday, before Senate Committee on Agriculture, stated they believed war prohibition would hinder shipbuilding program and reduce efficiency of workers 25 per cent. Please take up immediately with managers and secure statements as to facts and their experience in production under prohibition and before, and their opinion as to prohibition rendering workers unobtainable and less efficient. Secretary Daniels asserts Navy's experience in yards under prohibition shows increased production and bettered conditions. Please use telephones and wires also to secure data from other yards in State. Wire results collect fully, regardless of length of telegram. Issue now pending. Don't wait to report for all if causes delay.

E. C. DINWIDDIE.

To which Mr. Cotterill replied:

OLYMPIA, WASH.

E. C. DINWIDDIE,  
*Bliss Building, Washington, D. C.*

Replying your yesterday telegram forwarded from Seattle: To-day's publication of Bainbridge Colby's statement aroused immediate and continuing ridicule. Condemnation unanimous. Editorial expressions of leading newspapers of Pacific Northwest branded absurdly contrary to all facts, experience, and common sense. See Washington Members in Congress receiving home newspapers Monday. Washington and Oregon shipyards, employing 50,000 workmen, absolute prohibition conditions under State-wide and Federal laws, preventing manufacture, sale, and importation of all alcoholic beverages, have delivered since January one-fourth all completed American tonnage. Skinner and Eddy, largest Seattle yards, employing 12,000, with bone-dry prohibition environment, are recognized and proclaimed by Shipping Board as setting shipbuilding pace for Nation.

Specially refer recent public statement Chairman Hurley to effect that output Pacific yards average rate 20 tons annually per workman compared 16 tons eastern yards, showing 25 per cent larger production capacity workmen. Comparison was without reference contrasting environment, but considering Washington, Oregon yards largely exceed California capacity and output rate, necessary inference of prohibition benefits compared eastern yards saloon environment becomes most emphatic. Any suggestions productive capacity workmen larger with beer supply facilities than with present prohibition States would insult shipyard workmen and defy common intelligence; only possible result being to injure industry for benefit brewery profiteers. If shipping board should seriously propose such reversal here, it would arouse overwhelming protest all classes people and destroy confidence in shipping administration now unlimited. Fortunately Colby statement considered thoroughly extravagant; individual expression based personal prejudice against prohibition and not representing deliberate judgment shipping board. Securing expression prohibition from Washington and Oregon shipbuilding concerns, seems surplussage proposition simple axiomatic truth supported by overwhelming demonstration experience. If needed, suggest Senator Jones send identical telegrams all Pacific Northwest concerns asking authorized expressions for committee hearing.

GEORGE F. COTTEHILL.

PORTLAND, OREG.

EDWIN C. DINWIDDIE.

*Bliss Building, Washington, D. C.*

Evening telegram April 13, "Oregon producing one-sixth tonnage required by shipping board this year"; April 25, "Portland turning out larger number boilers for eight 800-ton steel steamers for Government than any port on coast"; April 23, "Portland holds world's record in building complete steel ship ready for cargo shortest time, also for fastest wooden ship constructed—52 days." Oregon Journal, May 17, quotes Hall, Oregon district United States Shipping Board, saying, "Oregon shipbuilding record, added to her recruiting and Liberty loan records, has made her famous in Washington." June 15, "Over 36,000 men directly employed in Oregon shipyards. Pay roll for 1918 conservatively estimated at almost \$42,000,000. Shipbuilding new industry in Oregon since prohibition became effective. No data for comparison. We consider statement war prohibition will reduce efficiency American labor 25 per cent insult to American labor and manhood.

OREGON ANTI-SALOON LEAGUE.

PORTLAND, OREG.

EDWIN C. DINWIDDIE.

*Anti-Saloon League, Washington, D. C.:*

Morning Oregonian, on the editorial page of its June 20 issue, says Bainbridge Colby of the Shipping Board says taking beer from workingmen will reduce output of ships 25 per cent. It does not work that way in Columbia yards, situated in two dry States. Mr. Colby has another guess coming.

ANTI-SALOON LEAGUE OF OREGON.

With the reading of a very brief statement here, I want to introduce the other parties who will also speak for the legislation under consideration. I want to give you this simply as an example of what I can say is getting to be a universal feeling all over this country. I doubt if we ourselves realize the extent of that feeling to which Senator Gronna, Senator Kenyon, Senator Thompson, and other Senators referred to this morning when they said that the producers of food—the farmers—and also the civilian population generally, which is behind this war and who are stinting themselves, who are denying themselves now simply of things that cater to their appetites, but have been regarded as the necessities and comforts, in order that we may obey the behests of the Food Administration and the Fuel Administration and the Commander in Chief of the Army and Navy, in this crisis, I want to read this so that you may begin to know how they feel about



it. Mr. Gompers said labor would loyally respond whenever the President, the Commander in Chief of the Navy and Army, said this thing ought to be done. When Congress passes this legislation and the President signs it, that itself is a statement not only from the Commander in Chief of the Army and Navy of the United States that it ought to be done, and he finally shares with you in the responsibility in the matter of legislation in our country, under the Constitution, but it is also a statement of what the representatives of the American people in the Senate and House believe ought to be done in order to win this war and conserve our resources. Here is a resolution which was passed by a citizens' meeting on Memorial Day in North Manchester, Ind., and, as I say, it is simply indicative of what is happening all over this land and represents the feeling that is tremendously active from one end of the country to the other:

The citizens of North Manchester and community, assembled en masse in celebration of Memorial Day, by unanimous vote, do urge you to vote for and use your influence in favor of the Barkley House bill No. 11710. In fact, the greater portion of this community is surprised that we do not now have war prohibition. Any efforts you may put forth will be highly appreciated by a district that is saving food and raising food so that the Army and hungry may be fed.

That is the end of the resolution, but the secretary of the meeting in transmitting it to me adds this. [Reading:]

We are not so much interested in the Barkley bill or any other special measure, but we are convinced mightily that we should have war prohibition. Many professional men in this community, as well as others, are working in the fields from two to six hours six days in the week to raise food, and then to do worse than waste it in the manufacture of alcoholic liquors we think is a crime.

I thought this word might be of some help in the campaign. The G. A. R., council of defense, and citizens' committee, as well as the W. C. T. U. and ministerial association, were unanimous in the above resolution. A host of people were out on Memorial Day.

Sincerely, yours,

GEORGE BEISWANGER, *Secretary.*

Mr. CHAIRMAN. I shall insert at this point extracts from a letter received from Col. Fred N. Dow, of Portland, Me., one of the most widely known and highly respected citizens of that State, publisher of the Portland Express, and president of the Casco Mercantile Trust Co., giving information from people in a position to speak relative to drink and the building of ships:

PORTLAND, ME., *June 21, 1918.*

REV. EDWIN C. DINWIDDIE,

*Washington, D. C.*

MY DEAR MR. DINWIDDIE: Your telegram was received this morning about 9 o'clock.

I am inclosing herewith copies of what was obtained over the telephone by one of our most reliable, conscientious reporters:

Frank A. Rumery, president and superintendent of construction of the Portland Ship Ceiling Co., Portland, Me., says:

"In a crew of 600 men we have the least trouble with the use of intoxicating liquors under prohibition enforcement. We have had only one or two instances, and that where a pocket peddler got into the yards. We stopped that. The men are free from it, and the thing we need in shipbuilding is to leave it alone. I do not believe in using liquor of any kind, as it cuts down efficiency. From long experience in the building business I can testify that liquor in any form very materially cuts down efficiency in the men using it."

Sheriff Wilbur C. Oliver, of Bath, Me., sheriff of Sagadahoc County, says:

"There is abundant testimony that enforced prohibition is a benefit to workmen employed in shipyards and any other line of work. The late John S. Hyde, for many years president of the Bath Iron Works, held the opinion for a time that his men must have whisky and beer. After I had enforced the law for 20

months he came to me and said that he was wrong in his formed opinion, and that prohibition was the best thing that ever happened for Bath, and that he favored prohibition. He did all he could for prohibition. I know of no shipbuilding concern that favors liquors for their men."

Harry Sawyer, manager of the Kelley-Spear Co., shipbuilders in Bath, says:

"Our experience has been that the men are better off when prohibition is enforced. When liquor could be secured a smaller number of our men were at work on Monday morning, now they are all on hand. Their families dress better and they are happier under prohibition enforced. It tends to greater efficiency in every way. We have never felt that there was any need of their having intoxicants, not even beer."

Hon. William T. Cobb, former governor of Maine, and now president of the great shipbuilding concern known as the Bath Iron Works, of Bath, Me., says:

"Entirely irrespective of the merits of prohibition as an issue, I should be very sorry to see liquor of any kind sold, as it decreases the efficiency of the men."

The gentlemen whose statements are quoted are all well-known, responsible citizens of this State, and what they might have to say upon any subject would be accepted by all who know them.

Very truly, yours,

FRED N. DOW.

Mr. Chairman and Senators, I would like to introduce at this point—because he wants to take a train later in the afternoon if he can do so—Mr. Charles L. Huston, who is the vice president and general manager of the Lukens Iron & Steel Co., of Coatesville, Pa. I have known Mr. Huston for many, many years. He will tell what he is himself, but I want simply to say this, that one reason why we thought his testimony would be valuable is because Coatesville is a very large industrial city near Philadelphia, and they have had experience on this proposition under both the saloons and prohibition.

The CHAIRMAN. We will be very glad to hear him.

#### STATEMENT OF CHARLES L. HUSTON, VICE PRESIDENT LUKENS IRON & STEEL CO., COATESVILLE, PA.

Mr. HUSTON. I had prepared a statement of facts and circumstances which I could testify to, but in order not to unduly take your time I shall ask it to be presented with what I have to say and try to summarize it as briefly as I can.

The CHAIRMAN. Yes, sir.

Mr. HUSTON. Our concern is an old-time concern, going back for over a hundred years. My grandfather was the first to make iron boiler plate in America, beginning about 1820 that kind of manufacture. We have continued the same family in the same business, enlarging all the time, until the present time we are just putting into operation a large mill for the manufacture of steel plates, by far the largest mill in the world to make the largest sized plates in the world, particularly for the purpose of supplying the large plates called for now in the construction of steamship boilers and the modern type of locomotives. One hundred per cent of our product is being requisitioned by the Government, and we are most anxious to keep our production up to the highest maximum possible and to increase it as far as possible.

I should not have come to appear here in advocacy of this bill unless I were absolutely assured that its passage would increase the efficiency of our concern and other concerns similarly engaged.

In 1913 we had a county-wide movement—I should say, as you all know, that Pennsylvania is considered one of the wet States—in 1913 we had a county-wide movement in Chester County in the southeastern part of Pennsylvania, a movement which was started to try to reduce the illegal sale of liquor which had grown up through the licensed sale of liquor, drunkenness and crime following, and I was associated with that—in fact, was asked to take the chairmanship of the county committee. We proceeded and evidence came forward sufficient to take away the licenses of a number of men who were grossly violating the law, and amongst them all the license holders in our town of Coatesville, where they had their licenses revoked, so that for a year after that we had an absence of the licenses of liquor within our town. Dire prophecies had been put forth when this action was taken of what was going to come of it, prophecies that the industries could not continue to work, industries which were employing a great many men, and particularly a large percentage of foreign-speaking men. Those men, having been accustomed to the regular use of drinks, it was claimed they would not stay, that they would leave the town. However, after the matter had been running for some time they found out that that was entirely erroneous, and upon careful inquiry we could learn of but two or three men who had left and stated that they were leaving because they could not get drinks in the town. On the contrary, men came to us seeking employment and said that they were glad to get employment in a town where liquor was not licensed to be sold. Accidents were greatly reduced, accidents resulting from carelessness, and absences on Monday mornings and the days following pay day were very greatly reduced, the men coming out to work instead of being mysteriously absent.

A Polish man who had been told that he would have to get along without his liquor said, "No beer, no whisky, me no work." He was told that he would have to manage to get along without it in some way, and a little later he said to the same man, "No beer, no whisky, me buy a house." And he has continued with us and is a very good man, a faithful workman, up to the present time.

I inquired from one of our men if he had heard any men express themselves, men not considered intemperate but accustomed to take a drink on the way to work. He said, "yes," that just the day before he had heard one such man say that he had been in the habit regularly of taking a couple of drinks at the saloon on his way to work and a couple of drinks on his way home. He thought he needed it. He thought he needed it to keep up his efficiency in his work, but he said that now that the saloons were closed, "I can't get it here and I won't go out of my way to seek it, so I am going without it, and I am a 100 per cent better man." That was the man's own testimony.

There was a great absence of visible drunkenness on the streets—very striking—just immediately following the close of these licensed places, and the business men, one contractor in particularly doing a large amount of contract work, excavation, concrete and road-building work—Dunleavy—who had previously been a signer for licenses, said that there was such a marked improvement in his ability to get his men to work—he was employing mainly foreign-speaking men—that he was entirely swung around in his view and his judgment concerning it, and he has been ever since standing against any repetition



of the licenses. Installment furniture men, rent collectors, and doctors all testified to the greatly improved conditions, the regularity of the men in the payment of their bills and the improved condition of the homes.

Just yesterday I asked our general superintendent, W. H. Hamilton, what was his opinion about the effect of prohibition, and he replied, "There is only one side to that question. It would undoubtedly be a very great benefit," and he further states that labor and employment agencies report that they have very few men who object to coming here to a dry town, but many more who say that they are glad to get employment in a town where liquors are not sold.

We also have our best workmen, men who do not drink, and their work is being hindered, unless in these days of teamwork, they can get the other men to stand up with them and pull together. That is where we feel the trouble of drinking most. At the end of the license year, the beginning of 1914, there was such a strong sentiment grown up in our community against the granting of licenses again that petitions were circulated—I can not recollect the exact percentage, I could not get the figures, but it was nearly 70 per cent—and at least 50 per cent of the registered voters of the communities had signed a general remonstrance asking the county court of sessions to refuse all licenses, but Judge Butler, presiding judge, stated that the court was unable to do that; that the court could only judge according to the law as it stood on the statute books, and as the legal conditions were met in the applications for licenses the court considered it was obliged to grant the licenses, and if we wanted laws, we would have to go to Harrisburg or to Washington for that. So the licenses were granted again, and drunkenness began to be more manifest. The men gradually got back into it and it became quite prevalent. The licenses continued for two or three years, until in 1917 again evidence was forthcoming sufficient to close them all up again for the second time, for a year, and with immediate improvement following. This last spring the improvement was so manifest that when evidence was presented to prevent their granting licenses again this time, the management of the Midvale Steel & Ordnance Co., who had bought out one of the large plants in our town, joined with us in our efforts to oppose the granting of licenses for this year.

Mr. Whittaker, the local manager, acting under instructions of his immediate superior officer, Mr. Flick, located in Philadelphia—Mr. Whittaker went with us to the county court and sat throughout the proceedings in opposition to the granting of the licenses, and it appeared from the testimony that the same men who were applying for licenses had violated the law before, and the judge refused to grant them. So, for the second consecutive year we are without the licensed sale of liquor, and conditions are very much better because of that, without question, than they would be if we had the licensed sale of liquors. At the same time we are surrounded by communities, not far away, where licenses are given, where liquors are sold, and our men by going a little distance, men of the town, can get liquor if they wish to do so, and liquors are shipped in without any question, and for that reason we are most anxious that prohibition should be made a national matter.

This last spring when we appealed to Judge Butler of our court because of the concerns in our town serving war purposes, serving

the Government for the purposes of the war exclusively, and the need of our working to maximum capacity—when we appealed to our county court, urging as another reason for refusing the licenses, Judge Butler said, “We are powerless to do anything of that kind. That is a matter which does not rest within the jurisdiction of this court. You will have to go to the Federal authorities to do that.”

We have found that the savings accounts and savings banks during the time when licenses were refused—the savings of the men in the savings banks—were greatly increased. We found, during the license time by carefully going into the figures, that the claim that county taxes were diminished by lack of licenses was not warranted, because the actual returns to the county from liquor licenses amounted to only 1 per cent of the actual amount received. We have the statement of the authorities, including the acknowledgment of the court, as to the percentage of cases of criminality that came before the court, showing that they were much greater during the license period. So we are most anxious that this bill should go through, because of our interest in the families of the people, because of our interest in the efficiency of the workers. And our business men stand with us in this. We have also found that instead of opposition or criticism on the part of the employees for the action taken, they are the ones most strongly in favor of it and stand with us every time we undertake such action. The opposition has come not from the working-men, but we have found that the opposition has come from the liquor interests whose financial returns are jeopardized.

I have here a little booklet which has been published, giving testimony and statistics in the no-license campaign, which I should like to put into the record; also a statement of efficiency which I had issued several years ago, all of it as to the interference with efficiency running through a period of years, where indulgence in liquor became habitual with the men, even in moderate quantities.

Senator KENYON. How many men do you employ?

Mr. HUSTON. We now employ about 2,400 men; at the time I speak of—1913—about 1,800 men.

Senator KENYON. What percentage of those men are foreigners?

Mr. HUSTON. I could not tell from exact figures, but there are not so many there now as there used to be because very few foreigners are coming over.

The CHAIRMAN. About how large is Coatesville?

Mr. HUSTON. About 20,000.

The CHAIRMAN. You say the court refused them a license, not under the law, because he could not, but because of certain conditions which prevailed?

Mr. HUSTON. Yes, sir.

(Mr. Huston submitted the following papers:)

#### CHESTER COUNTY NO-LICENSE CAMPAIGN—CHESTER COUNTY DRY SPOTS.

##### SIX MONTHS OF SALOONLESS COATESVILLE.

CONDITIONS AS THEY EXISTED IN COATESVILLE WHEN FIVE SALOONS WERE IN OPERATION, COMPARED WITH COATESVILLE TO-DAY WITH THE SALOONS CLOSED.

While the liquor interests of the State and county have endeavored, through a subsidized press, to spread the doctrine that the closing of the five licensed

saloons in Coatesville has worked to the disadvantage of legitimate commercial trade, the merchants of Coatesville, almost to a man, are outspoken in their declarations that, on the contrary, the closing of the saloons has been a great trade boomer.

It is true that in Coatesville some kinds of business have been constantly on the decline since the saloons were closed, and it gives us great pleasure to enumerate them. They are:

The home-wrecking rum business.

The police business.

The patrol business.

The appeal-for-aid business.

On the other hand, while the police are idle, the patrol horses disposed of, and appeals for aid almost a memory, the bankers, butchers, grocers, furniture dealers, shoe merchants, bankers, clothiers, department store owners, jewelers, liverymen—in fact the leaders in all lines of legitimate trade—are enthusiastic over the increase in business since the town went dry.

It would truly be impossible in limited space to give even a résumé of the many gratifying expressions from business men on the happily changed conditions since the town became "dry," but, lest some should doubt the rosy picture of Coatesville's prosperity under closed saloons, a few personal expressions are given:

Charles Dunleavy, head of the big contracting firm of Dunleavy Bros., says: "We have no trouble getting men to work, and we can depend on them being at work on Monday morning, instead of sleeping off a drunk. I wish every saloon in the country was closed. It would be the best thing that could happen."

Timothy Toomey, a leading liveryman, says: "The past summer was the greatest business period I ever had, and the beauty of it is that the bulk of it came from teams for pleasure drives, and not for funeral cabs. The closing of the saloons has been a mighty big thing for Coatesville."

I. Foreman, the town's leading tailor, says: "Business during the past summer was the greatest in my business career."

Philip Lipkin, proprietor of a large installment house, says: "My business for May, June, and July, 1913, was over \$7,000 greater than during May, June, and July, 1912, and my cash receipts over \$4,000 greater than the same months a year ago."

Wm. C. Thompson, a leading druggist, says: "My business this year just averaged \$5.97 a day over the summer of 1912, and I attribute it in great part to the closing of the saloons."

J. W. Schrack and E. R. Gray, the leading bakers in the borough, each report their business for the past year the greatest in their history. Mr. Schrack says his business averaged \$150 a week over the summer of 1912.

I. Braunstein, who conducts the largest furniture and department store in Chester County, says: "The closing of the saloons has unquestionably been a great benefit to all business."

W. W. Mast, department store; J. H. Hershey, shoes; L. S. Gray, grocer; Burgess Jesse Shallcross, meats and provisions; W. A. Patterson, dry goods; H. Garman & Son, jewelers; Pownall Hardware Co.; Heck Brothers, grocers, all report increase of business since the closing of the saloons.

In fact, out of 76 business men interviewed, all but two report an increase of business.

#### STATISTICS THAT SPEAK FOR THEMSELVES.

Here are a few statistics given by bankers, superintendents, and men of affairs, that tell in a most forceful manner of the wonderful change for good that has taken place in Coatesville within a few months, and we vouch for their truth and authenticity:

Decrease in accidents at our big steel mills for the past six months, compared with same period of last year, 54 per cent.

Decrease in applications for aid, 75 per cent.

Charles L. Huston, vice president of the Lukens Iron and Steel Co., says that, while it was predicted that great difficulty would be experienced in securing labor in a dry town, the truth is they have had an abundance of labor at all times; and while two persons have quit their employ who gave as their reason for leaving Coatesville their determination not to work in a town where they could not get drink, many have sought work at the mills here because they wanted to work in a dry town, where they could save some of their money.



This is particularly the case with foreign workmen, and they have the best class of workmen now in the history of the works. The decrease in absence from work on Mondays, or days following pay days, is 80 per cent.

Charles Scott, superintendent of the Coatesville Rolling Mill Co.'s Viaduct and Valley Mills, says he has no trouble now in securing good men to keep all the departments of these big mills going. When the saloons were open, he says, it was enough to set a man crazy sometimes to secure help. Men would get drunk on Saturday night and be unfit for work on Monday. The closing of the saloons, he adds, is the greatest blessing that ever came to Coatesville.

A workman in one of the mills declared that, when the saloons were open, in his particular mill, with a capacity for rolling 175 to 200 tons of plate a night, it was not unusual that 20 to 40 tons would be spoiled in the rolling, following pay days, thus reducing the earnings of every tonnage man in the mill, because of the half drunken condition of some of the men. But, he adds, "That's all history now."

Harry S. Woodward, a leading real estate broker of the borough, says that the changed conditions since the saloons were closed is simply marvelous. Rents are paid promptly, and occupants of houses manifest more pride in taking care of property.

A local butcher, whose trade is largely from wagon sales, says that during the months of May, June, July, and August of this year his receipts averaged over \$500 a month above a corresponding period of last year.

In the savings departments of the town's three financial institutions the deposits have increased \$237,000 over same period of last year, and the greater portion of this sum represents the savings of working people and has been placed there since the saloons were closed.

While the saloons were open the police patrol (run by the Brandywine Fire Company) was kept busy on Saturday and pay-day nights, and it was indeed a rare occurrence that the burgess was not called upon to give hearings on Sundays to a dozen to twenty-five "drunks," who had been placed in the cells in the lockup. After the closing of the saloons the fire company disposed of the horses it used for patrol purposes, and a scrutiny of the police records shows that the number of arrests for drunkenness has decreased over 80 per cent, and we are informed that a majority of those now arrested admit that they procure their liquor in other towns where saloons are open. The largest number of arrests in any one week since the saloons were closed was the week ending Saturday, September 20, when 14 drunks were locked up as they arrived by trolley from other towns. When given hearings before Burgess Shallcross on Monday, they all admitted that they had secured their liquor in adjacent towns where the saloons flourish, and that they arrived in Coatesville in a drunken condition.

That the closing of the saloons in Coatesville has been a Godsend to the place, religiously, morally, and financially, no man of honest thought who has given the subject any consideration will attempt to deny. The reports from the financial institutions show the great increase of savings among the working people; the reports from charitable organizations and the charitably inclined show a big decrease in the appeals for aid; the personal statements of leading merchants in all lines show the increase in trade; the reports from physicians, insurance companies, and others show an amazing decrease in accidents; the reports from large employers of labor show a wonderful increase in efficiency of the men employed; and the report of the burgess shows a great decrease in crime.

One of the public school-teachers, who for many years has had charge of the Coatesville Public School first-year pupils, said to Rev. T. W. McKinney, D. D., Sabbath morning, October 12: "Pastor, I have something good to tell you. The children in my room wear more underclothing and better outer clothing than before the town went dry. They look better, they are better fed, they are happier, and are doing better work than the children did when the saloons were open."

We can not close this article with a better description of the changed conditions in Coatesville than by quoting a statement made by A. H. Swing, for 10 years postmaster of the town. He says:

"I haven't seen a drunken foreigner on the streets of Coatesville since the saloons were shut up. Time was when a man was afraid to let his wife or daughter walk up the main street of the town for fear she would be insulted by some drunken lout, who was loitering in front of a hotel. That time is past.

Only the people of Coatesville can understand what a change there has been. Instead of scores of drunkards on the streets, many of whom were arrested and more of whom should have been, you now see crowds of shoppers who are putting their money into legitimate lines of business."

WEST CHESTER, AFTER THREE OF ITS SIX LICENSES WERE ELIMINATED.

Burgess Plummer E. Jefferies, of West Chester, on September 24, 1913, said: "The cost of maintaining in the Chester County Prison the drunks and disorderly prisoners, arrested in West Chester during the past six months, has been \$10.95, as against \$37.35 paid during the same months last year.

"The borough of Coatesville paid during that time \$44.55, while last year its expenses were \$104.40 for the keeping of drunks and disorderlies.

"Persons arrested in West Chester for drunkenness during the past six months have numbered eight, while in the same time last year there were 28 arrests for the same cause."

Burgess Jefferies felt that these figures speak for themselves, and are only an index of what will be found true in other districts where the drinking places have decreased in number.

SIX MONTHS WITHOUT LICENSE IN KENNETT SQUARE.

Universal testimony from the best citizens is that "No license," from every viewpoint, has wrought a decided change for the better. Women can walk the streets by day or night without fear of insult, which was formerly a frequent occurrence on State Street. Residents of Broad Street note the absence of midnight orgies. Drunkenness is a rare sight, and the streets are quiet and orderly. And this in spite of the fact that licensed bars are within easy access by train or trolley, as near as 4 miles north, east, and south of Kennett.

The burgess states that his books show exactly 50 per cent fewer cases to appear before him for the six months of no license than for the last six months of the open bar.

The policemen report 33 per cent less arrests of every description, and a much more quiet and decent town. A justice of the peace reports great decrease in cases of petty and domestic troubles.

One business man reports 20 per cent increase in business over the corresponding six months of last year.

A saloon advocate from another town had been asserting that the refusal of license had hurt the Kennett Square business men. When asked to name them, he did name several. One of these was a grocer, who, when interviewed said: "Of course, I lost the hotel trade after signing the remonstrance, but my other trade has increased enough to more than make up the difference. We do not want the saloon back again."

The other man has a store and restaurant in one building. When asked if his trade had been hurt by the closing of the saloon he said his business had increased since then, and was still increasing. "For example," he said, "to-day my grocery business has been so large that I have been obliged to neglect the restaurant."

A druggist, whose soda-water trade has increased in a remarkable degree over other summers, smiled when asked about the effect of the closing of the barroom, and said "Business is better."

Another business man said: "All you need to do is to look down State Street on any Saturday night to see the change for the better."

One of the restaurant men said that his business had increased 100 per cent since the closing of the saloon.

A prominent contractor reports, "Before the closing of the bar I dared not leave my men for any length of time, lest on coming back I should find them idling and drinking. Now I have left them for a day at a time and find I can trust them."

One of the plumbers reports: "Since the closing of the bar I have received, without solicitation, full payment on three bad bills which I never expected to collect, because there was never any money. I tell you, no license for me every time."

One butcher was quoted as being dissatisfied with the new conditions, but when interviewed it was found that his only complaint was that now it was next to impossible for him to get rid of his poorer cuts of meat. Men with their pay in their pockets could afford to show more consideration to their families in the purchase of provisions.

A boy gave expression to the prevailing sentiment. "I am glad the saloon is shut. Dad used to spend all his money there, but now he takes ma and us children to the moving pictures every Saturday night. He is kinder to ma, too. He takes her to ride Sunday afternoons."

#### UNICORN INN AT KENNETT.

Unicorn Inn is the name of the proposed temperance hotel in Kennett Square. The Ellwood Worrall property, on State Street, has been purchased at a cost of \$17,900. The building contains two stores and a dwelling house. It will be thoroughly remodeled and made into a modern hotel. When finished it will be a four-story building, with an attractive front; two dining rooms, one for private parties and one for public use; a lobby for men and a parlor for women, both equipped with toilet conveniences. In each of the guest rooms there will be a set of bowls with running water, and the whole building will be lighted and adapted to the needs of home citizens and the traveling public. At present there are 48 stockholders and a board of directors of 15 men. A charter has been applied for.

With the help of the income from the two stores it is expected to make this hotel a paying investment. The chief motive, however, is not financial, but spiritual. What has already been accomplished in the battle with intemperance and the evils growing out of the use of liquor is of a negative character. The saloon of Kennett Square has been removed, and marked improvement has already been shown as a result of this. This, however, is but the beginning of the work. Not only must temptations be removed from the people, but something better and more attractive than these temptations must be given them. This is what Kennett Square is trying to do. The first step in this work is to hold the ground already gained; and then make permanent the good already achieved. This seemed to require the providing of a temperance hotel, and is the first step in Kennett Square's work of a large, positive character.

#### OXFORD WITHOUT LICENSE.

The order in the borough of Oxford is much better since the town went dry, April 1, 1913, despite the fact that, contrary to predictions made by some, there have been more people in town than usual on several gala occasions. Great crowds have been on the streets every clear Saturday night, but the people are all sober, good-humored and very little profanity is heard on the streets. The stores, restaurants, and moving-picture shows are crowded with well-behaved people.

The changed conditions are most noticeable during crowded times. At the time of the Oxford Spring Fair, June 4, 5, 6, 1913, when thousands of people were in the town, there was not a single arrest made for drunkenness.

But one arrest at the fall fair, September 24-26, 1913—that of a man who came in drunk from another place.

At former fairs four special policemen from Philadelphia were brought here to keep order, but despite all efforts the streets after 5 of 6 p. m. fair nights were not fit places for decent people, especially women and children.

This year there were no special officers, and yet there was no disorder.

The conductors of the trains leaving Oxford Friday afternoon, September 26, said there was the greatest change. One conductor said that usually out of 225 or 250 he carried on Friday of the fair he would have about 50 intoxicated men. He would have difficulty in collecting tickets and fares. This year he did not have one drunken man, consequently no trouble with tickets or fares. He hopes never to see the return of the licensed liquor traffic.

The official records of the borough show the number of arrests from April 1, 1912, to April 1, 1913, for drunkenness and disorderly conduct 41. From April 1, 1913, to October 1, 1913, for drunkenness and disorderly conduct 7.

The traveling public have been well accommodated at the two hotels, without license.

A rest room, centrally located, has been opened since June for the accommodation of out-of-town women and children. Since opening it has accommodated more than 2,000 persons.

The business people approached all say they would not like to see the return to former conditions, and all maintain that business has not been hindered, but materially improved under the new conditions of a dry town.



## THE BOROUGH OF ATGLEN SINCE ITS LICENSE WAS REVOKED.

When, in response to a remonstrance signed by 62 per cent of the men who voted at the last presidential election and evidence of violations of the law on the part of the applicant, license was refused by the court in March, 1913, it was freely predicted that local business would go to pieces.

The reverse has proved to be true. Several merchants report increase of business. The grocers are all holding their full trade in spite of the fact that a cut-rate chain store has just been opened in a neighboring town but a mile away. A liveryman reports marked increase in business for the six months over the same period last year. There is every evidence that the removal of the saloon puts more money into legitimate channels.

Farmers from the surrounding country continue to come in as great numbers to the creamery and to market their potatoes as before. It is being demonstrated that the farmers of Chester County do not hunt the towns where the saloon exists to do their marketing and buying. They do go, however, where they can buy and sell to the best advantage, and for that reason they come to the saloonless borough of Atglen.

The crime of even a small town can stand reduction. In the corresponding six months of last year there were eight arrests. This year but two. No public charge for maintenance of prisoners for this year. The constable stated, when he went to put a man into the lockup in July, the first since the closing of the saloon in March, he found the weeds in front of the door had grown as high as the knob and the spiders had woven a web over knob and key hole.

Three private boarding houses are so located as to give ample accommodations to the traveling public, and another will be opened if occasion seems to require. There is no need of a licensed hotel in the place, and the better and cleaner conditions of the town seems to indicate that it is gone to stay.

## "DRY" AVONDALE BOROUGH.

Avondale has for a long time had no licensed hotel, and although it has suffered from the proximity of licensed places in adjacent townships, its condition has always been immensely better than that of its neighbors with their licensed bars. But since last spring, when nearby points were refused license the change is most distinctly marked, and many of the citizens will testify to great improvement over early conditions.

Formerly the trolley cars that arrived from the east late in the evening often came laden with an inebriated crowd that was boisterous and sometimes troublesome, but since no license prevails at points that were the source of our trouble the trolley men bear testimony to and the public recognize the great change for the better conditions that prevail.

Late travel by trolley is no longer a menace to life and limb, while some who frequently traversed the streets of the town showing the effects of indulgence now observe the proprieties of decent citizens, and no doubt are thankful that temptation has been further removed. If a little restriction produces such results, what might not eradication effect.

## WEST GROVE NEVER HAD A LIQUOR LICENSE.

West Grove Borough has had a hotel for years, but never a saloon. Among our 1,300 people a case of drunkenness is rare. Some years ago, before Oxford, Kennett, and Toughkenamon bars were closed, the late trolleys and trains, on Saturday nights especially, used to dump upon us staggering and shouting candidates for the lockup. A policeman then was a necessary expense.

About 30 years ago, when the need for a hotel developed, the citizens built a temperance house. The landlord obtained gradually paid off the mortgage and raised a family beside. The next proprietor, though opposed by the citizens, applied for a license. Failing in this he closed his establishment and made the plea that West Grove was without a public house. The citizens "jumped to their guns," subscribed the fund, and built the "Hotel Roseboro," which, without a liquor license, continues to serve the abiding and transient public.

Our savings fund in the national bank is, with respect to the size of its home town, one of the biggest in the county. The county's second largest store grew up here. West Grove's Building and Loan Association, now 11 years old, is one of the best paying ones in the county, and has never foreclosed a mortgage. For its size we have on the average as prosperous a community as is to be found in all of Pennsylvania.

## SAYS BAN ON RUM HAS FORCED DROP IN CRIME.

## CHESTER COUNTY GRAND JURY REPORTS BIG DROP IN VIOLENCE.

WEST CHESTER, PA., *October 9.*

The grand jury of the county reported to the court this afternoon a review of its work. It set forth the fact that there has been a marked decrease in crime since 1912. In October of last year there were presented 36 cases, while this year for the October term there were but 21.

The report notes the greatest decrease in crime, principally from sections of the county where liquor licenses have been curtailed or entirely wiped out. It also notes that all through most of the cases brought to its notice there was the evidence that drink had its paralyzing influence upon the minds and morals of accused persons.

It adds: "The debasing influence of the saloon has been so apparent in a majority of the cases that we feel compelled to make the observation that the general public must pay the price for permitting the existence of these highly objectionable sources of crime."

## THE LEGAL BATTLE.

For the legal battle at the special and remonstrance sessions of the court of quarter sessions of Chester County seven attorneys represented the no-license forces. The first gun was fired by the West Chester, Coatesville, and Phoenixville contingents when petitions to revoke licenses in these named places and Valley Forge were presented to the court. Judge Butler having ruled that the court itself would pass on the evidence, appointed March 5 as the date for a sitting in special session to hear the evidence. On March 17 the remonstrance court opened its session. On March 24 the final decision of the court having been announced, the net result of the campaign became known, as follows:

Total applicants before the court (retail, 59; wholesale, 3)	62
Licenses revoked by the court	11
Applications withdrawn before hearings	3
Applications withdrawn at close of hearings	3
Renewals refused	2
New applications refused	4
New applications withdrawn	2
Wholesale applications refused	1
	<hr/> 26
	36
Taylor House, Coatesville, refused Apr. 16	1
	<hr/> 35
Total licenses granted	
No-license campaign victory, 27.	

## OLD AND PROSPECTIVE LICENSES ELIMINATED.

	Licenses.
Atglen Borough (now dry)	1
Coatesville Borough (now dry)	5
Kennett Square Borough (now dry)	1
New Garden Township (now dry):	
Landenberg	1
Toughkenamon	1
Oxford Borough (now dry)	2
Warwick Township (now dry)	1
West Marlborough Township (now dry)	1
Phoenixville Borough (7 remaining)	2
West Chester Borough (3 remaining)	3
Willistown Township (1 remaining)	1
New applications withdrawn and refused	7
Old wholesale applications refused	1
	<hr/> 27
Result of no-license victory	

## STATISTICAL MISCELLANY.

Total population of Chester County-----	109,213
Total adult population (estimated two-fifths of total)-----	43,686
Men who signed general remonstrance-----	10,370
Women who signed general remonstrance-----	13,566
Total adults signing against liquor traffic-----	23,936
Per cent signing general remonstrance:	
Men who voted at last presidential election-----	53½
Of adult population-----	55

## WET V. DRY.

Number of wet townships in county-----	16
Number of wet boroughs in county-----	7
	23
Number of dry townships in county-----	41
Number of dry boroughs in county-----	8
	49
Total boroughs and townships in county-----	72

## FROM A BUSINESS MAN'S STANDPOINT.

Mr. Clarence L. Huston, of Coatesville, Pa., one of the vice presidents of the Pennsylvania Anti-Saloon League, is a manufacturer. He is deeply interested in religious and philanthropic work, being the successor of Hon. John Converse as chairman of the evangelistic committee of the Presbyterian Church. In a recent address he set forth his experience and observation as a manufacturer in trying to deal with the drink problem as it affects his employees. He said, in part:

"When I first took hold as superintendent of the works some 25 years ago I decided, after careful consideration, that I could not be satisfied to give any countenance to drinking on the part of the men. So I began to deal with them in a kindly, forceful way when I found out they were in the habit of indulging even when away from their work, and, of course, could not permit anything like drinking or evidence of intoxication while at work.

"I was a little fearful lest it might result in a shortage of capable men, but found just the reverse, as we never had to hunt for men or advertise for them. We have always found a sufficient number of applicants, good, respectable men, who were glad to work in a place where there was decent behavior and a freedom from things which make it obnoxious or painful for Christian men to work with satisfaction.

"Notices prohibiting profane or foul language were posted at suitable places around the works.

"The problem was a comparatively simple one until we began to get foreign-speaking men to do the unskilled labor—American men not relishing this work when they could get anything else to do.

"We housed the foreign workmen in comfortable quarters built upon our own property, where we could control their actions. When the beer wagons started to deliver we warned them to keep off, and when they persisted, we arrested them and forced them either to plead guilty or to conviction upon the charge of selling liquor in an illegal manner, the restriction for this kind of traffic being quite stringent and effective, if one will take the time and trouble to look it up and handle it vigorously.

"In addition to this, all of our foreign-speaking men, who are the principal offenders in this line, are required to sign in their rental contract that they will not bring liquor nor allow it to be brought into their houses, and the men themselves recognize the manifest benefit that has come to them by this restriction.

"We find in our work that the very best men are the men who never have touched intoxicants—Christian men, who work at every opportunity and who are dependable at all times and can stand the physical strain of the hot work of the furnaces better than drinking men can; retain their ability to work



through a longer period of years, and give a totally different degree of satisfaction in the manning of all our different departments.

"One of our chief difficulties has been that men who were apparently sober when younger have formed the habit of taking a drink now and then, and as they grow older they found themselves leaning more and more upon it until it possessed them and caused their demotion from positions of importance to ones of less value and emolument. Yet, because of their long connection with our company, we can not bring ourselves to the point of discharging them altogether, as their families would otherwise suffer, and, we fear, having been so long separated from other lines of work and other associations, it would be very hard for them to get other means of living elsewhere. So we have to discipline them and worry along with them the best we can; whereas if there were no temptations for these men to take a drink, these conditions would not have been brought out.

"I am a most firm believer, from all standpoints, that drink is an absolute evil, ruining a man physically, morally, and spiritually, and that the only right course is for every man to let it absolutely alone.

"I believe a great deal of our economic unrest would be remedied if the liquor business were put out of our land, as it destroys the efficiency of such an enormous army of men and wastes such enormous sums of their hard earnings for that which is not bread.

"Our concern has been established for a long time, having grown from a modest-sized establishment to one employing about 2,000 men, paying out, when running full, about \$100,000 a month in wages. I think you will find from anyone posted on the standing in the markets of products of our character that we are still 'in the game.'"

MR. DINWIDDIE. I would like to introduce Mr. Chester M. Culver, who is general manager of the Employers' Association of the city of Detroit.

The CHAIRMAN. We will be very glad to hear him.

#### STATEMENT OF MR. CHESTER M. CULVER, GENERAL MANAGER EMPLOYERS' ASSOCIATION OF THE CITY OF DETROIT.

MR. CULVER. There are just two or three things that I would like to say about this subject. We conduct in Detroit, in connection with our association, a labor bureau, through which pass each year men sent by us to various manufacturing plants and contractors of Detroit, something over 76,000 men. I think it is safe to say that we are in pretty close touch with the labor situation in Detroit, generally and specifically.

Senator KENYON. What percentage of those are foreigners?

MR. CULVER. I hardly like to be quoted on that, as it would be nothing more than a guess, because there are so many statements which vary so greatly as to the number of foreigners in Detroit.

The CHAIRMAN. Is it a considerable proportion?

MR. CULVER. It is a very large proportion. I should say that it is not less than 40 per cent—30 to 40 per cent. As I say, that is a mere guess, because the figures have varied so greatly.

We have had in Detroit a shortage of labor, very great shortage of labor, which has become exceedingly acute within the last three months. We have been increasing our munitions manufactories. We have been turning our plants over from the manufacture of automobiles and other products to the manufacture of munitions, and we have required an increasingly large number of men. A survey which we made recently in Detroit showed that we needed immediately about 35,000 additional men and women, and that we would need in the near future an additional 25,000 more. So that our condition has been acute. It was acute, very acute, the 1st of May, when prohibi-

tion went into effect. While we have not by any means made up the necessary force which we require, there has been a perceptible difference in conditions since the 1st of May. There has been a falling off in the number of men applying for jobs. I might add that there has been an increase in the population of Detroit. It is continually increasing, but there has been a falling off in the number of men applying for jobs.

To the question which I have asked of very, very many manufacturers in Detroit as to whether or not they have lost any men through prohibition going into effect, the answer has been invariably in the negative. So far as my experience has gone, not a single employer has reported the loss of a man who has gone to other cities on account of prohibition in Michigan. Not only that, but the efficiency of those in the shops has increased very greatly. That has been reported to us from several hundred employers in Detroit. There is a very marked increase in efficiency, possibly not all due to prohibition. I do not think it is. We have had other plans and other efforts made, but certainly we consider a part of it properly to be charged to prohibition.

Senator KENYON. Did you hear the statement here this morning that the labor of Detroit was the lowest grade of any large city in the United States, or substantially that?

Mr. CULVER. The lowest paid. That was the statement—the lowest paid.

Senator KENYON. Well, the lowest paid. What do you say to that?

Mr. CULVER. I had certainly intended to refer to that myself. I may just as well do it here. Of course, I have brought to you no figures. I can only speak from my own knowledge, gained both in Detroit and elsewhere, and I say, without the slightest fear of successful contradiction, that there is not another city in the United States which can show as high an average wage as Detroit can to-day. Nor do I believe there is another city in the United States that can begin to show as high as Detroit shows to-day. Our wage scale, so called, is not the test of what the man earns, because by far the greater majority of the men in Detroit are on piecework, under premium and bonus systems. In fact, there is scarcely a plant in the city, within my knowledge, which does not have some such system. So that what may be stated as the wage scale does not indicate the earnings of the men. I could tell you well-authenticated stories of earnings that are simply fabulous on a piecework basis, by men who have developed their skill and their ability in a particular line.

Senator KENYON. Give us some instances of that, will you? How high do they run?

Mr. CULVER. A man came to my office just a few days ago who was working in a munitions plant, and he said, "My average earnings have exceeded \$13 a day for some time. My highest day was \$22." And when I expressed surprise at that he said, "That is nothing. I can tell you of a man that made something like \$78 in one day."

Senator KENYON. Do you know anything about the bank deposits since prohibition? Have they increased in Detroit—the deposits in savings banks?

Mr. CULVER. That, I understand, is the case. I have no knowledge of that of my own, but I have heard that statement made, and I heard it made recently by a banker.

Another thing with regard to efficiency, in a community like ours, where so much of the work is done on a piecework and on a gang-system basis, the efficiency of a gang depends upon the condition of every individual member of the gang, and if any one of the gang is not up to par, the loss is the loss of the whole gang, so that when a single individual is under the influence, more or less, of liquor, he very greatly influences the output of the gang and reduces by that much the efficiency of the gang.

I think, gentlemen, that that is all I have to offer. I do not know how I can make any more emphatic the belief of the employers of Detroit, which is almost unanimous, that prohibition has been of immense advantage, not only to the community but also to the employers, to the manufacturers, and in the production of munitions for this war.

Senator KENYON. Do the men themselves complain about it?

Mr. CULVER. They do not. And I have had experience with a great number of men, some of whom are very greatly addicted to the use of liquor. Naturally we get a great many, more or less incompetents, men that we have to support by assistance, who are unable to keep a job very long. I know of a great many such instances, and in every single case within my knowledge the man is at work, industrious and sober, where he was unable to keep a job before prohibition was put into effect.

Our experience has established the fact that labor difficulties are brought on and much enhanced by the indulgence in drink on the part of the men. We had less trouble during the month of May this year (the month when most labor demands are made) than in any previous year within my knowledge.

Senator GRONNA. Have you seen the statement issued by a number of manufacturers in your city—this statement here [handing paper to Mr. Culver]?

Mr. CULVER. Yes, sir; my name is at the bottom of that statement.

Senator GRONNA. This is only a circular letter, and I would like to have you make any comment that you wish with reference to those firms.

Senator KENYON. Is that going into the record, Senator Gronna?

Senator GRONNA. I haven't offered it for the record. It is only a circular letter, and as you know these men, I certainly would like to have your opinion about them.

Mr. CULVER. I know them all personally. This letter is dated June 22, 1918. It is headed, "Statement re Jones amendment to Agricultural appropriation bill."

Senator KENYON. I presume you will offer it for the record, Senator?

Senator GRONNA. Yes; I think it had better go in here.

(The paper referred to follows:)

STATEMENT RE JONES AMENDMENT TO THE AGRICULTURAL APPROPRIATION BILL.

JUNE 22, 1918.

DEAR SIR: We have been informed that Hon. E. N. Hurley, chairman of the Shipping Board, thinks that war prohibition will disorganize labor activities in shipbuilding plants. And the newspapers report that Hon. Bainbridge Colby, of the Shipping Board, has appeared before the Senate Agricultural Committee to protest against the enactment of war prohibition on the same ground.



Detroit is the largest city in America under prohibition. The prohibition law went into effect here on May 1 of this year. A great number of our leading industrial concerns are working on immense contracts for war material. It will, therefore, be seen that the experience of our large industries as touching the point raised in the objection of the Shipping Board to prohibition is not only valuable but conclusive on this point.

There is no division of opinion among our leaders. They are unanimous in giving emphatic testimony to the wonderful benefits prohibition is producing. Our big concerns are reporting fewer absentees of men, fewer accidents, greater unity, and higher efficiency on the part of their employees. Their men come to work now with clear heads and steady hands on Monday mornings and after holidays.

Detroit's experience has proved beyond a possibility of doubt that the wage earners do not insist on their beer as the price for their loyalty; and that, instead of prohibition causing any industrial revolution or disorganization, it, on the other hand, is a most valuable contribution to industrial efficiency, higher productivity, and conservation of man power—all of which are of very vital consideration to our country in these war times.

If the Shipping Board and others who object to war-emergency prohibition on the ground that it will cause disorganization of labor or revolution among industrial workers, will but study the experience of Detroit, they will find that their anxiety on this matter is totally unfounded. After an unexcelled opportunity of studying the value of prohibition in its relation to industrial efficiency, our conviction is that no measure of conservation would be more valuable to our country and its interests at this time than war-emergency prohibition.

We therefore respectfully submit these considerations and appeal to our National Congress for early favorable action in behalf of this legislation.

Yours, very truly,

Henry M. Leland, president Lincoln Motor Car Co.; Joseph Boyer, president Burroughs Adding Machine Co.; F. S. Bigler, treasurer and general manager Michigan Bolt & Nut Co.; A. R. Demory, vice president, the Timken Detroit Axle Co.; John Trix, president American Injector Co.; S. S. Kresge, president S. S. Kresge Co.; Frank P. Johnson, president Detroit Screw Works; F. E. Beall, vice president Packard Motor Car Co.; Richard H. Webber, president J. L. Hudson Co.; Chas. M. Carson, manager Cadillac Motor Car Co.; Richard H. Scott, vice president and general manager Reo Motor Car Co.; Chester M. Culver, secretary Employers' Association of Detroit.

Mr. CULVER. Henry M. Leland, the first signer of this paper, is at present the president of the Lincoln Motor Car Co., until last summer the president of the Cadillac Motor Car Co.

Senator KENYON. I wish you would also put in the number of men they employ, if you know.

Mr. CULVER. In many instances I can tell you. In some I might not be able to exactly, because it is changing from day to day, as you realize. The Lincoln Motor Co. is engaged in the manufacture of Liberty motors, 100 per cent, and is reaching some very remarkable results in the production of that motor. They employ at the present time about 3,600 men and women. I can only guess, but I think it is about 1,600 women.

Joseph Boyer is the president of the Burroughs Adding Machine Co. The Burroughs Adding Machine Co. employs approximately 6,000 men and women.

F. S. Bigler is treasurer and general manager of the Michigan Bolt & Nut Co., one of the oldest concerns in Detroit, but not a large one. They employ, I think, about 600 men.

A. R. Demory is the vice president and the active head of the Timken Detroit Axle Co., engaged very largely upon the production of axles for war trucks at the present time. They employ about 8,000 men.

Mr. John Trix, president of the American Injector Co., is here to speak for himself.

Mr. S. S. Kresge is here to speak for himself.

Mr. Frank P. Johnson is president of the Detroit Screw Works. A large part of the product of the Detroit Screw Works is going directly and indirectly into the production of munitions. They employ about 3,000 men.

Mr. F. F. Beall is vice president of the Packard Motor Car Co. Most of you know the Packard Co. is making Liberty motors, as well as trucks of various kinds. It is engaged almost wholly on munitions production and employs in excess of 8,000 men.

Mr. Richard H. Webber is president of the J. L. Hudson Co., a department store. I can not give you the number of employees.

Mr. CYRUS P. KEEN. They employ a little over 1,200.

Mr. CULVER. They employ over 1,200 men.

Mr. Charles M. Carson is the industrial manager of the Cadillac Motor Car Co., of Detroit. That company employs approximately 8,000 men.

Mr. Richard H. Scott. I do not know. He is vice president and general manager of the Reo Motor Car Co. The Reo Co. is a Lansing organization and I am not acquainted with that organization.

Mr. DINWIDDIE. At this point I will introduce Mr. John Trix, president of the American Injector Co., to whom Mr. Culver has just referred.

#### STATEMENT OF MR. JOHN TRIX, PRESIDENT OF THE AMERICAN INJECTOR CO., DETROIT, MICH.

Mr. TRIX. Gentlemen of the committee. I am president of the American Injector Co., and I am interested in the Liberty motor engine, which is built by the Lincoln Motor Co.—by the way, the best flying engine that is built in the world. I don't want you to forget that, because I have heard so many bad comments on that engine that if I believed one-hundredth part of what I have read in the newspapers about it I wouldn't leave the earth 1 foot if I were a flyer. [Laughter.] But you can rest assured and take my word as a mechanic that it is the best engine that has ever been put into a machine. I could tell you of many trials that we have made with it, and to-day we are receiving telegrams from abroad saying "For heaven's sake, speed up and send us these engines."

Senator GROXNA. Is this motor being made by prohibition producers? [Laughter.]

Mr. TRIX. We have some foreign labor, and with us in Detroit it is to-day 100 per cent prohibition, and I hope it will continue to be, because the results that we are getting warrant that assertion and that hope.

Senator KENYON. How many men do you employ in your works?

Mr. TRIX. About 1,200 in the brass works that I am interested in. I am interested in that and in the Lincoln Motor Co., in the Spear Engineering Co., and in the Roberts Brass Co.

Senator KENYON. How many men do these different concerns employ?

Mr. TRIX. All together, I presume, we would run 7,000 or 8,000 in the different branches.

Senator KENYON. In these different companies?

Mr. TRIX. Yes, sir. The Lincoln Motor—Mr. Culver has it a little bit low. We have to-day over 4,200 men and women in there. Of course, we are forced to put in women, because the Government has taken so many of our boys—mechanics—away. And, strange to say, the women are taking the places and filling the places of men very nicely.

Getting back to the real issue, let me say something right here, Senators. I hope that you will pass this bill, because if you do not I do not know what will happen to me at my home. I haven't had a piece of bacon in my home, well, I guess, for six or seven months. When I speak of it my wife says—my good, old sweetheart—"Well, we will send that to our boys." We have got two boys in the service; and, as far as white bread goes, we don't know such a thing as that at all.

Senator KENYON. Have you two boys across the sea?

Mr. TRIX. Yes, sir. I wish to say that as far as economy is concerned, of conserving food, I don't know of anyone in the world that could do it any more than my wife does, and I hope that you will use all your influence to conserve the food for the boys.

Now I, of course, come from Detroit, where you have heard this morning that we were a set of scabs and all that. I don't want you to believe that, because that is not true. I believe the man who made that statement knows that it is not true. I don't look like a scab. I, myself—he has got nothing on me—served at the bench and at the lathe for many, many years, and I am probably as good a mechanic as he will make if he stays at his business for a thousand years. [Laughter.]

Senator KENYON. Well, are the places well unionized, the places in Detroit?

Mr. TRIX. Detroit is an open-shop town. That is the reason the gentleman made the assault on Detroit that he did. It is an open-shop town. We do not ask a man what religion he belongs to or what union or anything else. The thing we want to know most is, is he an American citizen and how he will behave himself when he gets in our factories.

Senator GRONNA. Are there many foreigners in your employ?

Mr. TRIX. Yes, sir. The question was asked here what was the percentage of foreigners. Before we started to draft our men it was estimated that 50 per cent of our population was foreign. In the little factory which is the nest egg I started in I will refer to to give one illustration of some foreigners. I heard a man say of a Polander—I have a Polander by the name of Joe Placek in my employ who rarely ever came to work on Monday but what he had been drunk Sunday. A week ago yesterday I walked up to him—he is in the foundry, where they usually think they have got to have beer, and where they usually carry the growler, which I will tell you about—I said to him, "Joe, did you get some whisky yesterday?" "No," he said, shaking his head, "but some money," touching his pocket. He had some money in his pocket that he had left.



Now, talking about the growler, that was talked about this morning. A gentleman was talking about the growler, the tin can they used to rush with beer. Yes; that used to be the case. Just as soon as the whistle was blown they would have the growler and go out back into the alley to the saloon and bring back some beer, and for the next hour after we started up you could always figure on an accident or two, because they would not have their wits with them. What is the result to-day with prohibition? They send over there to the grocery store and they bring over a couple of hundred pint and half pint bottles of milk, and the men bring from their homes these vacuum bottles with coffee and tea in them.

Now, from my viewpoint I hope that we will never have another glass of beer in the State of Michigan, and if I had it in my power you would not have another one in the whole United States.

I don't know of anything more that I can say, gentlemen.

Senator KENYON. If prohibition, as we have been told, decreases, by 25 per cent, efficiency in these different places, don't you think that as a war measure we ought to compel you to have liquors in your place of business?

Mr. TRIX. Yes, sir; if that were true, but that is absolutely not true.

Senator KENYON. You don't believe that?

Mr. TRIX. I do not. You are talking now to a man who knows. I am a mechanic and I know it is right the opposite.

Senator KENYON. You wouldn't want to do anything, of course, to disturb getting food over to your boys?

Mr. TRIX. No; I would do anything I could to help to win this war. Uncle Sam can use me this very minute if he needs me.

Senator GRONNA. Your opinion is not only your opinion but it is based upon practical experience of long standing?

Mr. TRIX. Yes, sir.

Senator GRONNA. Well, we had testimony before our committee the other day to the effect that some of these foreign women even have unwillingly given up their beer. Have you many foreign women working in your establishment?

Mr. TRIX. Yes, sir; there are some foreign women working in my establishments, and in the establishments I am talking about, and I do not know that to be the case.

Senator GRONNA. You have not heard any complaints from them?

Mr. TRIX. No, sir; not in the least.

Senator GRONNA. Because prohibition has been enforced?

Mr. TRIX. Not in the least.

Senator KENYON. How many men does the Ford establishment employ?

Mr. TRIX. In his entire plant, his branch shops manufacturing these Eagle bolts and everything, I think he runs along from 37,000 to 42,000.

Senator KENYON. Doing fairly efficient work I suppose?

Mr. TRIX. Yes, sir.

Senator GRONNA. We are very much obliged to you, Mr. Trix.

Mr. DINWIDDIE. Let me introduce at this point S. S. Kresge, of Detroit, who is very prominently identified with the business interests of that section, and who knows conditions there very thoroughly.

## STATEMENT OF MR. S. S. KRESGE, OF DETROIT, MICH.

Mr. KRESGE. Gentlemen of the committee, I am a merchant and I have lived in Detroit for 18 years.

Senator KENYON. Are you the five-and-ten-cent store man.

Mr. KRESGE. Yes, sir. That is, merchandising.

I have lived in Detroit for 18 years. The first 21 years of my life I spent on the farm, and I can appreciate ideas both from the farm and from the city viewpoint. A little prior to two years ago I began to take an active interest in removing the saloons from our Nation. Two years ago just at this time we were in a campaign to make Michigan dry. In that campaign I was finance chairman of the State, and executive chairman of Wayne County, of which Detroit is the county seat.

Two years ago last May I wrote to all the mayors and chiefs of police of the principal cities and to the governors of the States, to gather information as to how the dry administration had worked out in their States up to that time. In September following I then wrote to the same ones, and in no case did a governor answer that the thing was working out badly, but on the contrary it was very satisfactory. I got as many as 75 letters from those various officials, which were all splendid testimonials, but in various ways, as to the amount of good that had been brought about by those States being dry.

Now, I am living in Detroit, which is the largest dry city in the United States. Partly in consequence of my efforts, if I may say so, Michigan was made a dry State. At that time there were a lot of men in Detroit who were afraid to come out in the open. In other words, as we say, they were "on the fence," and you couldn't get them on one side or the other very well.

I have here a bunch of letters and telegrams from our largest factories in Detroit that give clear testimony now as to the good results that have been brought about since the 1st of May, when Michigan went dry, and show conclusively they have confidence in me as having known that I knew what I was working for two years ago; and in no case where I asked a manufacturer for a letter to bring down here did he refuse me.

Now, General Burleson and Mr. Hurley and Mr. Colby—all of you who heard them, I believe, understand that they admit that they do not know, because they have not lived in dry territory. They have some ideas. They are scared, just as some men in Detroit were scared two years ago, but to-day those men are out in the open. I have a letter right here from one who was more wet than dry at that time and who says now that his business has increased.

Detroit, I understand, has in the aggregate more war munitions orders than any other city in the United States. If this is incorrect I will be glad to have you correct me on it. Detroit to-day is more efficient in all her plants than she was before the State went dry the 1st of May. I will give you conclusive evidence of that. I know exactly what I am talking about. I am not talking about things that have been hoped, but things that have happened, things that have come to my personal attention, and testimony from the managers or presidents or vice presidents, as the case may be, of those various large factories.

Senator GRONNA. It seems, according to the testimony of all you gentlemen from Detroit, that the spirit of unity is excellent there among the laboring man.

Mr. KRESGE. Better than ever.

Now, men of my position and belief and attitude have been referred to this morning as fanatics, extremists, faddists, and hypocrites.

Senator GRONNA. Don't you think you ought to overlook that?

Mr. KRESGE. Well, we may, Senator, but I am just willing to be classed in that class. I am willing to be put in that class if I may do this service.

Senator GRONNA. Of course, I don't object to your mentioning it.

Mr. KRESGE. One of them referred to "class" beverage. Call me rich or poor, I use neither; never did, and I think it was an allusion that was not properly used.

Now, last week the Detroit papers came out at different times saying that Mr. Hurley and Mr. Colby said that they were afraid that if the country went dry, bone dry, ship production would be cut down 25 per cent. If anything ever appeared to me as being inconsistent that is one of the statements. Was it for the purpose of making the soldiers less efficient and the sailors less efficient that you put them in dry territory? You did it to make them more efficient, and you made them more efficient, and in every case in Detroit our factories are not only as efficient but they are more efficient. How men can figure out things of that sort I can not understand. I at least like to be consistent.

One of the gentlemen referred to his having been a worker and in with real workers. We surely have had a record in Detroit—and Detroit has a record, I believe, that is outstanding in all the world, not only in the United States—that our men aren't idlers. They are men who are getting good wages; they are men who are satisfied. I know of no other city where men are working with greater unity and with greater satisfaction than they are in Detroit. I do not know of a city, on the average, I will say, where the laboring men own more homes than they do in Detroit, according to the population.

The CHAIRMAN. How long has Detroit been dry?

Mr. KRESGE. Since the 1st of May of this year.

Now, reports come to us like this. Here is a clipping from one of our dailies under the caption, "Down town police idle 24 hours. New record." This is in May. "Not an arrest made. Not an accident occurred. Not an arrest of any consequence made. The oldest police officers can not remember a similar 24 hours,"—and some of them have been there for 25 years.

Senator GRONNA. What paper is that taken from?

Mr. KRESGE. The Detroit Journal.

The CHAIRMAN. Maybe that is the sort of business that has declined. [Laughter.]

Mr. KRESGE. Here is another from the Detroit Journal, "Dry reign strikes blow to bondsmen." Their business has dropped off more than half, and the same applies to pawnbrokers' shops—loan sharks.

The CHAIRMAN. Does that mean people who make bonds for persons who have been apprehended for crime, due to crime?



Mr. KRESGE. Yes, sir. On May 31 of this year, at the close of the month, the police record—this is May, 1917, a little over a year ago, when the State was wet—the arrests during that month were 1,892 for drunkenness. This May, 1918, under prohibition, there were only 307.

Here is one from the Free Press, "Prohibition aids business." It goes on down and says how much more the business has been benefited and that there are only two lines of business that have suffered, and that is the Detroit United Railways and the police courts. Those are the two exceptions.

Senator GRONNA. Evidently the business in the police court has suffered.

Mr. KRESGE. Here is another on that, Senator, from Mount Clemens, the county seat of Macomb County, a report from one of the papers, one of our dailies, saying that the jail is completely empty for the first time in its history.

Senator KENYON. What is the population of Detroit?

Mr. KRESGE. About 800,000.

The Ford factory has been referred to as having approximately 40,000 employees. My guess would be that they have about 50 per cent foreign born, that is to the best of my knowledge. I was talking with Mr. Lebold, Mr. Ford's private secretary, the third week in May, and asked him whether anything had come to his attention regarding the benefits from the State having gone dry, particularly in employees being more prompt, more steady. He said, "Mr. Kresge, I have no data now but I will look it up and call you up this afternoon and let you know." He called me up and gave me this, "The first Monday in April of this year"—that was the last wet month—"there were 2,620 persons failed to report for duty. A month later, the first Monday of May, 1,628." In other words, 1,002 more persons reported the first dry Monday for duty than the Monday the month before. The second week in May, the second Monday in May, fifteen hundred and some odd, and still further dropping off.

There are few plants in America that have a larger organization than the Ford, employing altogether around the country between 50,000 and 60,000 persons, about 42,000 in Detroit. Now, I say Detroit—Detroit is built entirely around Highland Park. Highland Park has always been dry—that is, since the village was incorporated. I venture to say that Mr. Ford would not want the State of Michigan to go wet for a million dollars—not for \$5,000,000. Now, that is my candid opinion. When this Jones amendment first came up I personally drew up a resolution and took it to the Detroit Board of Commerce and presented it to the board and they took a referendum, and the result was that a greater percentage than 5 to 1 voted for the passage of the Jones amendment, and that was communicated to some of the members here. Mr. J. J. Crowley, the present president of the Detroit Board of Commerce, two years ago when I was in the State campaign would not support the matter. Now, this is a little personal. He had not looked into it enough. He did not know about it. He would not indorse the movement. I have a splendid letter here from Mr. Crowley to-day because I have shown him in the two years—or in a little less than two months—what dry Detroit meant for us.

Senator KENYON. Is he a manufacturer?

Mr. KRESGE. He has one of our two largest department stores there, having about the same number as the Hudson Co. has.

Now, our friends here this morning referred to thousands going into bankruptcy. I do not think—I do not apprehend that that would happen, but if it would happen I would say that it would not be any greater crisis than having a million families bankrupt each year and continuing under that condition longer. The banks will be better off. It has been demonstrated throughout all the dry States that the banks are better off. Their deposits increase, the merchants get their bills paid more promptly, and the money flows through legitimate channels in dry cities and dry States.

I do not know just what more we could ask. I might say this, that two years ago, when the campaign was on in Detroit to make Michigan dry, it was told me from one whom I don't doubt knew exactly what he was talking about, that John Dodge would be willing to give \$50,000 to have a saloon moved from near his factory, and he gave this as an illustration, that after lunch, after the men had gotten back from lunch, after going out to the saloons around the place, is when the accidents happened. And that is the high point on the thermometer of accidents. I do not know of one factory, gentlemen, in Detroit of any size that would say that Detroit would be better off or has been better off under wet rule than under our present dry rule.

The CHAIRMAN. Did you have a popular vote on the State going dry?

Mr. KRESGE. Yes, sir.

The CHAIRMAN. What was the majority, if you remember?

Mr. KRESGE. Sixty-eight thousand, in round numbers.

The CHAIRMAN. Do you think that would be increased by another vote?

Mr. KRESGE. It would, very materially, if no bad weather occurred, or some other political issue were on.

The CHAIRMAN. Under like conditions?

Mr. KRESGE. Yes, sir; under like conditions.

Senator KENYON. Has the 5 and 10 cent business increased under prohibition?

Mr. KRESGE. Senator, we have had various experiences, and I would say yes, and not only ours but others. Now, my experience on that is like this: In a lot of the States they have had local option. Suppose we have a store in a town that is the county seat of a county. When that goes dry the fellows are spending their money in the 10-cent stores, in the shoe stores, in the dry goods stores, and all the merchants are doing a bigger business as a consequence. And it is easy to figure out the reason. It is simply so much more money thrown into different channels.

Senator GRONNA. So, from the economic standpoint, prohibition is a benefit?

Mr. KRESGE. From an economic standpoint it is a benefit. There is no doubt in my mind but that it is from an efficiency standpoint, from a productive standpoint, from a savings standpoint, and from the safety standpoint. Talk about personal liberty, I don't know why anyone should have the liberty of getting filled up and going out with an automobile and killing people. I need protection myself, and I don't have it under those circumstances.

Now, in conclusion, I have here a number of letters and telegrams from manufacturers, most of them employing a large number of men, and I would like to have my secretary read probably half a dozen of them. They are not lengthy. They are short and snappy as a rule, and I would like to present all of them as evidence.

The CHAIRMAN. How many are there, Mr. Kresge?

Mr. KRESGE. There are twenty or more.

Mr. CYRUS T. KEEN, of Detroit. We will not ask the privilege of reading them all, but if I may read one or two as a sample and then put the rest in the record.

Mr. KRESGE. If it please the committee, I suggest that you read half a dozen of them.

The CHAIRMAN. We are anxious to get through to-day if possible.

Senator KENYON. Isn't the time about up?

Mr. DINWIDDIE. We are going to close way under the time, and we are within a very few minutes of being through.

The CHAIRMAN. Very well. I hope you will make the letters you insert typical letters, and not encumber the record too much.

Mr. KEENE. This is from the Great Lakes Engineering Works, shipbuilders and engineers, Detroit, Mich.

Senator KENYON. How many men do they employ?

Mr. KEENE. Mr. Culver, how many men do they employ in Michigan?

Mr. CULVER. In Michigan, in the neighborhood of 4,000.

Mr. KEENE (reading):

GREAT LAKES ENGINEERING WORKS,  
SHIPBUILDERS AND ENGINEERS,  
Detroit, Mich., June 22, 1918.

Mr. S. S. KRESGE, *City*.

DEAR SIR: We have request from you for expression of opinion as to the effect of prohibition in this State upon our men and, as a result, upon their labor output as shipbuilders.

Your request for expression of our opinion is timely, as we had this morning already wired to Mr. Hurley and Mr. Colby regarding this very matter. We were led to this action by noting statement in the daily press, in our opinion entirely erroneous, as to the disposition of the Shipping Board on this question. It is a matter of such concern to us that we have endeavored to make our telegrams to the officers of the Shipping Board quite emphatic. I am giving you copy of same for review.

Leaving higher motives out of the question, we are concerned in a selfish way with the favorable passage of the Jones amendment to the emergency food bill and honestly feel that our men and their families are in a large majority deeply satisfied with the prohibitory law now in effect.

Sincerely, yours,

GREAT LAKES ENGINEERING WORKS,  
JOHN R. RUSSEL, *President*.

Then I have with that a copy of a telegram which Mr. Hurley was asked this morning to read, from Mr. John Russel, the signer of that letter, the president of the Great Lakes Engineering Works.

(The telegram referred to follows:)

[Telegram.]

DETROIT, June 22, 1918.

EDWARD N. HURLEY,

*Chairman United States Shipping Board, Philadelphia, Pa.:*

We have shipbuilding plants in Detroit, Ecorse, and Ashtabula, and know positively that the morale and efficiency of our men has been improved by change from so-called wet to dry conditions. At conference to-day of our



executive forces—general manager and superintendents of various plants—serious objection was raised by all present to modification in any way of prohibitory laws now in effect in this State. If any statutory permission is given for sale of beer and light wines in neighborhood of our yards, it will positively imperil the program for delivery of ships we have promised to Shipping Board. Are confident large majority of our employees would concur in this expression of opinion. Prohibition has had such signal success in benefiting ship construction in Michigan that similar legislation is absolutely required in our opinion to enable the Shipping Board to carry out its war program for output. We are firmly in favor of the Jones amendment to the food-emergency bill.

GREAT LAKES ENGINEERING WORKS,  
JOHN R. RUSSEL, *President*.

BANBRIDGE COLBY,

*Commissioner United States Shipping Board, Philadelphia:*

Are confirming to you wire this date to Mr. Hurley, as follows:

GREAT LAKES ENGINEERING WORKS,  
J. R. RUSSEL, *President*.

Senator WM. ALDEN SMITH,  
Senator CHAS. E. TOWNSEND,

*Washington, D. C.:*

We urge you to support the Jones amendment.

GREAT LAKES ENGINEERING WORKS,  
J. R. RUSSEL, *Pres.*

Here is one from the American Car & Foundry Co., Detroit, Mich.:

DETROIT, June 22, 1918.

Mr. S. S. KRESGE, *Detroit, Mich.*

DEAR SIR: Referring to recent newspaper reports to the effect that Messrs. Hurley and Colby, of the United States Shipping Board, do not favor the enactment of pending dry legislation for shipyard workers, claiming that such legislation will curtail the output by at least 25 per cent, beg to state we do not agree with these gentlemen in their predictions.

While we do not profess to have much knowledge along the line of shipbuilding, wish to advise that we have been engaged in the building of steel freight cars for many years and at present are manufacturing large munition orders for the United States Government, and our employees in a great measure are of the same type as those employed in the shipyards, and we believe that working conditions are in many respects similar. Our experience since Michigan went dry on May 1 would indicate that instead of curtailing production the pending shipyard legislation is likely to increase same, and we see no reason for members of the Emergency Shipping Board holding opinions contrary to the general experience of workmen and manufacturers who have benefited by the enactment of dry laws.

We find that since May 1 our general working conditions have improved very much, production has increased, and we believe the well-being of our workmen and their families has been considerably benefited by the elimination of booze. We notice that our men are now in good condition on Monday mornings to begin their weeks' labor, whereas formerly we had a large percentage of workmen carrying "hangovers" from their week end dissipations, and many of these men were entirely unfit to take up their duties on Monday mornings. Our records also show that less serious accidents have occurred, and this is quite remarkable inasmuch as our force has been rapidly increasing during the past six weeks, now totaling approximately 8,000 men on day and night shifts.

It therefore gives us pleasure to heartily indorse any movement carried on in Detroit with a view of furthering legislation which will eliminate booze from the vicinity of shipyards throughout the United States, which are engaged upon the most important work of creating tonnage for the rapid transport of soldiers and munitions to the war zone in Europe.

Very truly, yours,

AMERICAN CAR & FOUNDRY Co.,  
F. A. STEVENSON,  
*Assistant General Manager.*

Here is one from the Detroit Shipbuilding Co., which is along the same lines:

DETROIT SHIPBUILDING Co.,  
Detroit, Mich., June 22, 1918.

Mr. S. S. KRESGE,  
Detroit, Mich.

DEAR SIR: With reference to your question as to the effect the "dry law," which went into force May 1 last, has had on our employees, we beg to state that both our Detroit and Wyandotte superintendents report that generally the effect has been noticeably beneficial, in that the operatives are more regular in their attendance, and in certain cases of skilled men and others, where in the past absences of a day or more at the beginning of the week have occurred, this has disappeared, and these men are now putting in full time.

We believe the effect of the law in general has been most beneficial.

Very truly, yours,

E. KETCHAM, *Secretary.*

Mr. Farr, who makes the statement, is the president of the Detroit Shipbuilding Co. and is also president of the American Shipbuilding Co.

Senator KENYON. How many men do they employ?

Mr. KEENE. Mr. Culver, can you give that?

Mr. CULVER. It would be a guess. I should say 5,000 or 6,000.

Mr. KEENE. Here is quite a valuable testimonial from the Packard Motor Car Co., one from the Cadillac Motor Car Co., one from the Continental Motors Co., the Timken-Detroit Axle Co., the Caille Bros. Co., the Detroit Screw Works, Crowley-Milner Co., and others; also a number of telegrams; also a resolution from the Lansing Chamber of Commerce.

(The papers referred to follow:)

DETROIT, MICH., June 22, 1918

THE SECRETARY OF THE DETROIT CHAMBER OF COMMERCE,

Detroit, Mich.

DEAR SIR: As a matter of record, we have investigated the conditions in our factory which have resulted from the State of Michigan going dry. The following questions have been considered indicators on this subject:

1. Is there any dissatisfaction among our men as a result of their not being able to obtain liquor?

The trades in our employ which previously were most addicted to liquor were the men on the heavy machine work and the employees of the forge and foundry. In our forge and foundry we have found but one man during the last two months who appears to have left our employ to secure work in another State where liquor could be obtained; in the heavy machine work we have lost no men who can be directly traced to the State having gone dry. Recently we have asked the men leaving our employ their reason for leaving Detroit, and the answers have not evidenced that the men were going out of the State to get liquor.

2. Has the attendance on Monday morning and after a holiday and pay day improved?

In answer to this we have drawn the following conclusions:

	Late.	Absent on Monday.	Absent on Tuesday, Wednesday, Thursday, Friday.
		Hours.	Hours.
First half of April.....	33	537	962
First half of June.....	22	162	543

Decrease:	Per cent.
Late.....	33
Absent Monday.....	69
Remainder of week.....	44

The above results are compiled from our heavy machining departments, the departments in which we have the highest percentage of foreign element.

We can not draw any definite conclusions to the effect that we have seen a general improvement in workmanship or in quality as a result of operation under the new condition, but we consider that an increase in regularity of attendance points at least to an increase in earning power as a result of the State going dry.

Yours, truly,

PACKARD MOTOR CAR Co.,  
D. G. STANBROUGH,  
*General Superintendent.*

DETROIT, MICH., June 22, 1918.

MR. SEBASTIAN S. KRESGE.

*Detroit, Mich.*

DEAR MR. KRESGE: As industrial manager of the Cadillac Motor Car Co., I am very closely in touch with all of our employees, and have had a good opportunity to judge the effects of dry Michigan upon our organization.

Prior to the State going dry, I very rarely passed a day without having the presence of the saloon in our midst being brought to my attention. A foreman would discharge a man for coming to work intoxicated; it was then up to me to decide whether or not we would give the man another chance. A man's wife would report to me that her husband did not bring home enough money to support her, having spent most of it in the saloon.

We have one case of a man here whom we have been trying to keep straight for about seven years. When we first began with him he would keep sober for about one year at a time, and then he would go off on a spree. Later the periods became shorter. Finally his wife became a drunkard. Our welfare department had to take charge of their finances in order that they might get enough to eat. Finally the wife died of delirium tremens. Since that time we have been trying to keep the man straight. Since May 1, when Michigan went dry, this man has been working every single day, and so far as we know has not tasted liquor.

In the entire works I have only had one case of drunkenness brought to my attention since May 1. In this case the man got it from one of his friends who had a few bottles stored in his home.

The fact that Michigan has gone dry is helping us wonderfully to maintain a good organization of mechanics during this time when a good output is so much needed.

Very truly, yours,

CADILLAC MOTOR CAR Co.,  
DIVISION GENERAL MOTORS Co.,  
CHARLES M. CARSON,  
*Industrial Manager.*

CONTINENTAL MOTORS CORPORATION,  
*Detroit, Mich., June 22, 1918.*

Subject: Jones prohibition bill.

MR. S. S. KRESGE,

*Detroit, Mich.*

DEAR SIR: We understand that the Jones prohibition amendment comes up for a general hearing in Washington on Tuesday of next week, and that public-spirited men will be given an opportunity to present their views in connection with the merits of the amendment.

We regret very much that we will not be able to send a representative to present our views, owing to the pressure of business, but we will be very pleased to have you state in our behalf that since prohibition has gone into effect in the State of Michigan there has been a very material improvement in the morale of our men, which has reflected itself by more steady attendance, a smaller number of industrial accidents, and increased production. These are facts which are obtaining in our two large plants located in Detroit and Muskegon, Mich.

We understand statements have been made that prohibition during the period of the war would result in serious consequences to the shipbuilding industry. We, of course, do not profess to be acquainted with the effect it



would have on the ship workers, but judging conditions from our own experience up to this time, we are inclined to believe that prohibition would have the opposite effect, namely, to stabilize the workers and make them more efficient. Aside from this it would increase the man power for war-production purposes by enlisting the services of those now employed in the manufacture of spirituous liquors. If our views will be of assistance in this matter, we trust you will have no hesitancy in presenting them.

Yours, very truly,

A. H. ZIMMERMAN, *Treasurer.*

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THE TIMKEN-DETROIT AXLE CO.,  
*Detroit, Mich, June 22, 1918.*

Mr. S. S. KRESGE,  
*Kresge Building, Detroit, Mich.*

DEAR MR. KRESGE: I am writing this letter at your request, regarding conditions in Detroit since the State went dry.

It is my belief that the city of Detroit has gained very much in efficiency because the State is dry. We notice a distinct improvement in the efficiency and attendance of our force. We have a larger percentage of our men present on Mondays and after pay days than we did formerly. We also notice a better disposition among the workmen; in fact, there is no difference in attendance now following a holiday or pay day than on any other day.

We are satisfied that this demonstration has proven beyond the question of a doubt that it is a very beneficial thing for any community to be without the saloon.

It is not necessary to go into all the phases of the question, because no one can question the benefits to a community where men are sober and sane as compared with a community where there is drunkenness.

The particular point which you are aiming to make now, I believe, is the question of labor efficiency, and without having any definite figures to prove our statements we must be satisfied with the opinions of our foremen, superintendents, and manager, and, so far as I know, these men agree that we have gained very materially in labor efficiency and morale since the State went dry.

I hope this covers the point sufficiently.

Yours truly,

A. R. DEMORY,  
*Vice President and General Manager.*

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THE CAILLE BROTHERS CO.,  
*Detroit, June 22, 1918.*

Mr. CYRUS P. KEEN,  
*708 Kresge Building, City.*

DEAR SIR: Referring to our telephone conversation regarding the effect which prohibition has had in our plant, I am only too pleased to tell you of our experience.

No one thing has ever occurred in the history of the business since my connection with it that has done so much toward helping to improve conditions. The worry with help has been reduced, I should say, about 25 per cent. We now find a full force at work and in fit condition to work on Monday morning. We have had a number of cases where men heretofore have not been so efficient as they might have been, but since have become first-class workmen, steady, industrious, and ambitious.

A nation-wide prohibition can not do otherwise than be beneficial. We have lost a few men who have gone to wet States, and with nation-wide prohibition this would not be the case. I feel certain that our experience is practically the same as every company has had and I want to go on record as heartily approving your efforts, and trust that they will meet with success in placing the country under prohibition, at least during the period of the war, and better if it is continued.

Trusting this may in a small measure be of assistance to you, I am,

Yours, very truly,

T. L. SMITH, JR.,  
*General Manager.*

DETROIT SCREW WORKS,  
*Detroit, Mich., June 22, 1918.*

MR. SEBASTIAN S. KRESGE,  
*Detroit, Mich.*

MY DEAR MR. KRESGE: Am surprised to note through the press, views expressed that the country at large would be better off wet than dry.

There are extraordinary conditions existing now; these are war times.

The flower of the manhood of America has gone overseas, and a steady stream is now flowing from farm and factory to the training camps, and likewise from camp to transport.

The eyes of the world are upon us—America must win this world war for righteousness, freedom, liberty, and the brotherhood of man.

In the training of our sons in camp for the call, we aim to safeguard their health, vitality, and manhood. How much more, or should not as great care be exercised to preserve the health, strength, and productivity of the vast "Army of the army behind the Army?"

If for no other reason than as a war measure or patriotic reason, suspend the manufacture and sale of liquor and let us have nation-wide prohibition.

In Detroit where we have had prohibition since May 1, results have been more than satisfactory to employee and employer.

I know how earnest you are upon this subject and I want you to know that we are with you, as are the fathers, mothers, sisters, and brothers of the men who have gone to the front, ready to make the supreme sacrifice if necessary.

To keep our minds clear to do our bit at home seems such a little thing to do.

Very truly, yours,

FRANK P. JOHNSTON,  
*President.*

[Crowley, Milner & Co., importers and retailers of general merchandise, Detroit, Mich.]

JUNE 22, 1918.

MR. S. S. KRESGE,  
*S. S. Kresge Co., City.*

MY DEAR MR. KRESGE: In answer to your question as to our experience of business since prohibition passed, we wish to say that our business has shown improvement. We ascribe this to the fact that men now have money in their pockets to do trading. Taking it all in all, the situation under prohibition seems to be working out satisfactorily.

Yours, truly,

J. J. CROWLEY.

*Resolved*, That the chamber of commerce petition the Senate and House of Representatives of the United States Congress to support actively and vote for legislation providing for the prohibition of the use of foodstuffs, fuel, and man power in the manufacture of beer and wines and the sale of all intoxicating liquors during the period of the war and the period of demobilization following the war.

The above resolution was unanimously adopted by the board of directors of the Lansing Chamber of Commerce on Tuesday, June 18, 1918.

DETROIT, MICH., *June 24.*

S. S. KRESGE,  
*Antisaloon League of America, 30 Bliss Building, Washington, D. C.*

Our experience with labor since prohibition went into effect in Michigan last May has been very satisfactory. From that viewpoint Monday morning now sees the men all in their places, just the same as any other morning. We feel confident that Nation-wide prohibition would help win the war through the better efficiency of the workingman.

AMERICAN BRASS & IRON CO.

DETROIT, MICH., *June 24.*

S. S. KRESGE,  
*Care Antisaloon League, Bliss Building, Washington, D. C.*

Since abolishing sale of liquor May 1st we have had much steadier attendance of factory employees and believe labor situation very much improved on account of the abolition.

J. WALTER DRAKE,  
*Hupp Motor Car Corporation.*

DETROIT, MICH., *June 24, 1918.*

S. S. KRESGE.

*Antisaloons League of America, 30 Bliss Building, Washington, D. C.:*

As the direct result of prohibition in Detroit, since May 1, we find that factory conditions are greatly improved. Fewer men lay off after pay day than before. The monthly turnover on labor has been reduced and the general efficiency of the plant per man increased. This condition is of great assistance in turning out Government orders.

MORGAN & WRIGHT.  
C. J. BUTLER, *President.*

DETROIT, MICH., *June 24, 1918.*

S. S. KRESGE.

*Antisaloons League of America, 30 Bliss Building, Washington, D. C.:*

Reference your letter 22d, our experience since adoption of prohibition in this State has been most satisfactory. We should regret to see conditions change in any way.

PAIGE DETROIT MOTOR CAR CO.

LANSING, MICH., *June 24, 1918.*

S. S. KRESGE,

*30 Bliss Building, Washington, D. C.:*

Reports that come to me from all over Michigan indicate that our people are loyally observing the now prohibitory law and that the general effect upon the morals, business, and industries of the State has been excellent.

A. E. SLEEPER, *Governor.*LANSING, MICH., *June 24, 1918.*

HON. EDWIN DINWIDDIE,

*30 Bliss Building, Washington, D. C.:*

Following from letter just received: "Am unalterably opposed to saloon return. Superintendents of our plants have spoken of better condition of many of their men since May 1. To my mind it is simply economic suicide to revert to saloons even if whisky is forbidden. Signed, Chas. A. Bigelow, President Kneeland, Lunden & Bigelow Co., and Bigelow, Cooper Co., Bay City, Mich."

GRANT M. HUDSON.

(To S. S. Kresge.)

DETROIT, *June 22, 1918.*

MR. S. S. KRESGE,

*Detroit, Mich.*

DEAR MR. KRESGE: We are very glad to say to you that in our opinion prohibition is proving, and will continue to be, a splendid thing for the city of Detroit. We believe it has a beneficial effect, not only from the point of view of improving the community as a whole but also from the point of view of the welfare of the manufacturing and retail interests of the city.

Since the 1st of May, when Michigan went dry, our business has been remarkably good, May having been the biggest May in our history by about 25 per cent; June figures also show a very healthy increase. This increase can not, of course, be traced directly to prohibition in the State of Michigan, but it does show conclusively that the retail business is not going to suffer through prohibition, and it is very likely going to receive beneficial effects.

We are heartily in favor of the prohibition movement, and would like nothing better than to see it become Nation-wide.

Very truly, yours,

THE J. L. HUDSON COMPANY,  
OSCAR WEBBER, *Vice President.*

DETROIT, MICH., *June 24, 1918.*

S. S. KRESGE,

*Care of Anti-Saloons League of America,  
30 Bliss Building, Washington, D. C.*

From personal inquiry about our plant in connection with result of our State going dry, 25 superintendents and foremen report no men absent on Monday



or after pay day on account of drink. Each foreman reported he had one to six laid off before May 1. Employment department has not turned down one man since May 1, on account of liquor. Rejected several every day before Michigan went dry.

ANDERSON ELECTRIC CAR CO.,  
W. C. ANDERSON, *President*.

LANSING, MICH., *June 24, 1918.*

Mr. S. S. KRESGE,  
*30 Bliss Building, Washington, D. C.*

I have noticed Mr. Colby's statement that output of shipbuilding will be reduced 25 per cent under prohibition. While I have heard many successful business men make similar statements in all sincerity, in all cases coming under my observation I have found that these gentlemen have had no experience in conducting large manufacturing operations under prohibition, nor have they had an opportunity to make a comparison of production in any given community under both wet and dry conditions. We have had practical experience both ways. Prohibition has added to the number of working days of employees, increased their efficiency, and has resulted in greatly increased production and fewer accidents. With saloons large numbers of tools stood idle after pay days; assemblers could not proceed on account of shortage of finished parts caused by the absence of employees. As soon as employees had an opportunity to make a comparison of conditions a great majority of them joined with their employers in favoring elimination of saloons. I am convinced that complete prohibition will increase the production of things needed for the prosecution of the war, and also conserve food, fuel, and man power, which are most essential at this time.

R. E. OLDS,  
*President Reo Motor Car Co.*

DETROIT, MICH., *June 24, 1918.*

Mr. SEBASTIAN S. KRESGE,  
*Antisaloon League of America, 30 Bliss Building*  
*Washington, D. C.:*

Our observation is, prohibition increases factory production; our experience bears this out so strongly we favor national prohibition. Our workmen realize benefits of prohibition and are almost unanimously in favor of it. We believe if liquor question again submitted to vote would carry larger majority than last election.

FEDERAL MOTOR TRUCK CO.,  
M. L. PULCHER, *Vice President and General Manager.*

Mr. DINWIDDIE. I think, Mr. Chairman, we can keep within the limit with just a few moments more, with your permission.

Senator KENYON. I don't think there is any use of your introducing any more witnesses from Detroit.

Mr. DINWIDDIE. May I say, however, that the reason for introducing this sort of testimony was absolutely to rebut the statement, belief, and opinions that were expressed by the member of the Shipping Board the other day.

At this point I would like to introduce Mrs. Elizabeth Tilton, of Boston, who will speak for herself.

**STATEMENT OF MRS. ELIZABETH TILTON, CHAIRMAN OF THE  
COMMITTEE OF SIXTY ON NATIONAL PROHIBITION, BOSTON,  
MASS.**

Mrs. TILTON. I will be very brief. When I heard Mr. Colby speak, I said I really want to find out if it is true that foreigners do not believe in national prohibition, so I took a trip to Manchester, which has 60,000 inhabitants. There are four great manufacturing plants

there. I spent all day yesterday being taken through these four plants. Then I was immediately taken to the head of the labor bureau. These plants employ 22,000 men, and the managers would say "Have any men left because the beer has been taken away?" And they were not able to say that any of them had. In the three first plants they could not say. When I got down to the McElwain Co., the manager said to me, "The head of our labor bureau is very intimate with the saloon keepers. You must take with a grain of salt what he says." He called him in and he said, "You think that the men are leaving because they have lost their beer?" And he said, "I have heard rumors of it," and I said, "We do not want rumors; we want facts. Get at the truth." And he said, "In a turnover of 1,000 men that I had in May, 1 man has said that he left on account of beer." He said "I am losing 85 per cent because my beer is taken away and 15 per cent because I have got a better job down at Lowell." That was the only instance we could find going around as I did with the president of one of these companies looking into the thing as I did, that one had left.

Then we heard that it was the Lithuanians and the Poles. I live among these people; so I went down to Nashua, which has a great Lithuanian population. Had they left? They went to the books and found that as a matter of fact more Lithuanians and more Poles had come into their plant in May after the town went dry than before.

Really, as far as New Hampshire is concerned, there is absolutely nothing in it that these good foreigners, whom I know myself, patriotic and excellent men, who are giving their sons to the war, refuse at the same time to give up their glass of beer. It is really a slander on them. I know that first-hand.

Senator KENYON. Put in the record—are you connected with the Woman's Christian Temperance Union?

Mrs. TILTON. No; I am not. I am the chairman of the committee of sixty on national prohibition.

#### **STATEMENT OF MRS. JOSEPH M. GAZZAM, CHAIRMAN OF EXECUTIVE COMMITTEE OF WAR-TIME PROHIBITION ASSOCIATION OF PENNSYLVANIA.**

The gentleman of the German accent, Mr. Joseph Preebstle, German brewer, who spoke last week, would have us follow the example of England. We feel that America can afford to set an example, not follow one.

Mr. Preebstle said that all the countries abroad were giving their soldiers and sailors liquor, and if by this is meant England, it has been proven that the percentage of alcohol has been reduced and also the quantity of beer has been cut down. Moreover, if England followed the example of King George and Lloyd-George there would be no such thing as liquor in England.

Col. St. George Loftus Steele, head of the English recruiting in Philadelphia, said at our big war-time prohibition meeting, "my experience and that of Lord Kitchener in India and Africa is that the soldier who is a total abstainer is the best fighter."

To-day we are using ships to carry barley to England and England is using ships to send that same barley back to us in the shape of beer. These ships we need to transport troops—sober troops.

I also heard someone say something about France. I know this, that in every post office in France is a Government notice posted warning young men and women that liquor is the greatest menace of the day, far greater than the "German peril." I have in my Philadelphia office of the War-Time Prohibition Association a poster sent direct from Paris. It pictures a man seated at a table hugging a bottle of liquor. A woman stands beside him with two boys clinging to her. The woman extends one hand for the bottle, while the other covers her weeping eyes. Inscribed above in French is "When will they take liquor away from France"? "Will you subscribe to the Prohibition Association of France"? This poster speaks for itself. France is a wine-growing country, yet this antiliquor sentiment is strong.

Let California use her grapes for food—raisins. I have been in Italy and tasted delicious dried grapes soaked in oil and dried in the sun. Another year let California raise more vegetables, for which she is noted; or perhaps if brewers will not monopolize carriers, we may be able to buy these vegetables that are now so scarce and prohibitive in price.

Someone spoke of the great taxes the distillers are paying. We are paying these taxes. We prefer to pay them direct.

Someone also spoke of the great disaster that would befall these distillers should this amendment go through. Do they fear the great disasters that will befall our women and children, our soldiers and sailors if the amendment does not go through?

I hear that after Denver went dry there were 400 more family washes a month put in city laundries. Think of the poor aching backs of the suffering women that were saved by that simple process. Backs probably worn out from carrying sick babies all night. This is a question that must be decided—and that decided at once. Which is the most important to conserve—beer or babies?

It is said a nation is only as strong as the health of its babies. A chain is only as strong as its weakest link. Babies are the weakest link in the chain of civilization. That link must be preserved if our Nation would live. Last winter in Philadelphia the babies were dying from cold while the beer sizzled in the vats. I had to take into my house old servants who were freezing in their homes. The people—the working people—were rioting in the streets, taking coal from the cars on the siding, while the policemen winked their eyes. Do you not suppose if those same working people had their choice they would give up their beer and keep their babies? They would if I know anything about our good working people. Do you not think they would rather be warm and comfortable and safe from pneumonia in their homes, than have the miserable glasses of beer that some people would have us think they hold onto so tenaciously. Should we not give the working people credit for some little intelligence and common sense?

They try to put the odium of the liquor traffic on the working people. Let no one think the working women want to hold on to liquor. It is an insult to our good working people to say they want liquor. Ask the wives of the workingmen, as I did in my house-to-house canvas for suffrage, you will get your answer there. A straight one and a strong one.



Congress can cut down the height of our shoes; it can cut out widths of our skirts; it can come into our very homes and take our boys away for the defense of the Nation, but oh how tenderly, how reverently does Congress lay hands on the liquor traffic. Will not you good men stand by us women in our defense of our homes and our sons and daughters. I speak as a mother with a son fresh from graduation at Harvard and now a first lieutenant in the service of his country. It is for the many boys like him and the mothers like myself that I plead. These boys must be protected. These mothers must not have added to their great sorrow of losing their sons, grief at seeing their boys exposed to temptations which injure not only their health and morals but their fighting efficiency as well. To show you the great hold temperance has taken upon conservative Philadelphia: The Emergencies Aid, who have done 90 per cent of the war work of the city, and whose uniform I wear, exacts a pledge from every one who joins not to drink in public while wearing the uniform. In conservative Pennsylvania hundreds of women who never gave prohibition a thought, to-day say they are willing to give up all intoxicants, and want the entire country to go dry. These same people will be horribly shocked if this amendment does not go through. There will be protests go out such as men never heard before.

Speaking of the great loss to our banking institutions, which one speaker last week tried to make clear to us, I was talking to one of our greatest bankers in Philadelphia the other day, Clarence Harper, of the firm of Harper & Turner. Mr. Harper said he had just returned from a trip through the South with seven bankers from seven dry States—North Carolina, South Carolina, Virginia, Tennessee, West Virginia, and Arkansas. Mr. Harper said these bankers were figuratively speaking, throwing their hats up in the air, jubilant over results of prohibition in their States. There were empty jails, idle policemen, and empty workhouses; and banks full to overflowing. The names of these gentlemen can be obtained.

Mr. Harper wants some of these results and benefits for Pennsylvania, and he is going to get them. Other bankers who want these results and benefits in Pennsylvania are Effingham B. Morris, president Girard Trust Co.; William R. Nicholson and Edward Bonsall of the Land Title Co.; Richard L. Austin, Federal Reserve Bank; and Francis B. Reeves, of the Girard National Bank. All these best men in Philadelphia are backing up our wartime prohibition. These men all want the amendment to go through, and they are all vice presidents of our society, proud to lend their names to the cause. These gentlemen represent the strongest bank interests in Pennsylvania. We are also backed up by Bishop Rhineland, of the Episcopal Church; Francis Fisher Kane, the United States Attorney; Lieut. Col. Hatch, who is looking out for the welfare of soldiers and sailors. The convention of the medical society, and our greatest doctors, scientists, and philosophers, as well as manufacturers, such as Louis J. Kolb and George N. Burnham, of the Baldwin Locomotive Works—names too numerous to mention.

Of course, some one is going to suffer and to lose if this amendment goes through. But, gentlemen, let it not be our women and children or our soldiers and sailors, defenders of our country. They have suffered enough, it is some one else's turn now.

Gentlemen, I leave our cause in your hands.

(The documents referred to are here printed in full as follows:)

# WAR TIME PROHIBITION ASSOCIATION.

## STATE OFFICERS.

President: Dr. E. E. Montgomery.

Secretary: Rev. George Jerbert Toop, D. D.

Chairman of executive committee: Mrs. Joseph M. Gazzam.

Treasurer: Miss Anna Harris Snyder.

Vice Presidents: Richard L. Austin, president Federal Reserve Bank; Edward H. Bonsall, vice president Land Title & Trust Co.; Hon. Martin G. Brumbaugh, governor Pennsylvania; George Burnham, jr., vice president Baldwin Locomotive Works; Dr. Judson Daland, diagnostician of Philadelphia; Francis Fisher Kane, United States attorney; Louis J. Kolb, manufacturer; Dr. Ernest La Place, surgeon; Prof. Wm. E. Lingelbach, economist University of Pennsylvania; Wm. R. Nicholson, president Land Title & Trust Co.; Francis B. Reeves, president Girard National Bank; Dr. Leo S. Rowe, assistant treasurer United States; Rt. Rev. Philip M. Rhinelander, D. D., bishop, Pennsylvania; Dr. J. Madison Taylor; Rev. Floyd W. Tompkins, D. D., Holy Trinity; Albert E. Turner, banker.

Executive committee: Mrs. Joseph M. Gazzam, chairman; Richard L. Austin; Miss Mary A. Burnham, Woman's League Good Government; George Burnham, jr.; Dr. Lida Stewart Cogill; Albert Cross, insurance (life) child federation; Miss Gertrude Ely, president Junior Auxiliary; Mrs. Geo. H. Lorimer, Dr. Rufus W. Miller; Dr. E. E. Montgomery; Mrs. Francis B. Reeves; Mrs. Philip M. Rhinelander; Albert Turner.

Finance committee: George Burnham, jr.; Albert E. Turner; Francis B. Reeves.

## NATIONAL OFFICERS.

President: Prof. Irving Fisher, economics, Yale University.

Treasurer: William F. Cochran.

Vice presidents: Dr. Chas. W. Eliot, president emeritus, Harvard University; Dr. J. N. Hurty, health officer of Indiana; J. Wanamaker, merchant; Right Rev. William Lawrence, D. D., bishop of Massachusetts.

General committee: Rev. Geo. D. Adams, D. D.; Lucien Hugh Alexander; Bishop Joseph Berry; Mrs. Edward W. Biddle, president Civic Club; Capt A. J. Drexel Biddle, United States Army; Mrs. Rudolph Blankenburg, wife of ex-governor; Rev. J. Gray Bolton, D. D.; Mrs. Ferree Brinton; Mrs. P. M. Chandler, wife of P. Chandler, banker; Miss Fannie Cochran; Mrs. Frank Miles Day, president Monday Conference; Robert D. Dripps, public safety; Mrs. Geo. A. Dunning, chairman Woman Suffrage; Franklin S. Edmonds; Contess De Santa Eulalia; Dr. Ella B. Everett; Rev. Carl E. Grammer, D. D.; Mrs. Edwin C. Grice, school board; Dr. Richard H. Harte, Red Cross; Lieut. Col. C. B. Hatch; Rev. Chas. S. Hutchinson, D. D.; Miss Mary Ingham; Mrs. Henry Jump, Council of Defense; Dr. Henry Jump, president County Medical Association; Rabbi Krauskopf; Rev. John Mockridge, D. D.; Effingham B. Morris, president Girard Trust; Mrs. Joseph P. Mumford; O. F. McCormick, public safety; Geo. W. Ochs, New York Times; F. P. Parkin, president Dry Federation; Prof. E. M. Patterson, University of Pennsylvania; Lieut. Com. F. R. Payne; Mrs. Henry Pemberton, jr., suffragist; Dr. Geo. Pfahler; Gifford Pinchot; Mrs. Geo. Piersol, Council of Defense; Mrs. Austin M. Purves; Mrs. Frederic Scheff, president Mothers' Congress; Dr. Anna H. Shaw, president Woman Suffrage; Joseph M. Steele, Council of Defense; Allen Sutherland; Mrs. Floyd W. Tompkins; Rev. Homer W. Tope, D. D.; Dr. Martha Tracy; Brig.-Gen. Waller; Rev. Elliot White; Charlton Yarnall.

## WAR-TIME PROHIBITION ASSOCIATION RESOLUTION.

[Written by Dr. Irving Fisher, of Yale University, president of the National War-Time Prohibition Association.]

In the present national crisis, when the full physical, mental, and moral strength of the Nation is needed as never before, and in view of the great importance of food conservation, we favor the absolute Nation-wide prohibition of the

manufacture, sale, and importation of alcoholic beverages for the period of the war and for at least one year thereafter.

WAR-TIME PROHIBITION ASSOCIATION OF PENNSYLVANIA,

*Philadelphia, June 18, 1918.*

MY DEAR MRS. GAZZAM: In regard to the movement in which you are so deeply interested to secure practical prohibition during the time of the war, I need not assure you of my sympathy and desire to help in the cause as I can. I should like, however, to make my position clear in one or two chief aspects of the matter.

First, I think that every citizen is morally bound, under present circumstances, to abstain as a simple, patriotic duty from the use of all intoxicating liquors during the term of the war.

Second, I should heartily approve of legislation by Congress preventing the diversion of all foodstuffs for the production of intoxicating liquors.

Third, I entirely disapprove of different laws for our enlisted men and for the private citizen in regard to the use of liquor. This present inequality, I believe, works great evil and injustice. There should be one law for all.

From what I understand, the bill introduced lately in the Senate by Senator Gore would secure our main object, and it might be well worth while to concentrate our efforts upon this bill and to bring as much pressure as possible to bear upon Congress in order to secure its passage.

Faithfully, yours,

RIGHT REV. PHILIP M. RHINELANDER, D. D.

QUICK RELIEF FOR THE NATION—FOOD, COAL, TRANSPORTATION, SUGAR, LABOR EFFICIENCY, PROSPERITY—INCREASE MAN POWER, REDUCE COST OF BUILDINGS, HASTEN WINNING WAR.

	Bushels.
Shortage of crops in France, the United Kingdom, Italy, and Belgium, in 1917 (wheat)-----	196,000,000
Shortage of crops in France, the United Kingdom, Italy, and Belgium, in 1917 (other cereals)-----	380,000,000
Annual grain exports to those countries from United States before the war-----	102,000,000
Grain to be sent to allies before harvest-----	75,000,000
Grain sunk by submarines last year-----	8,000,000
Grain used in America by breweries-----	68,000,000

Germany has recently forbidden the use of foodstuffs to make beer.

Sixty-eight million bushels at an average of 45 pounds per bushel equals over 3,000,000,000 pounds, which would be sufficient for as many 1-pound loaves of bread annually, or divided by 365 days (3,000,000,000 pounds ÷ 365 days=8,219,000 loaves), equals over 8,000,000 loaves of bread per day—probably enough bread for the armies at the front of the United States, France, and England, with considerable over, but not enough for the starving people of Belgium, Armenia, and Syria.

If drink were abolished, labor conditions on farms, as well as with farm machinery, fertilizers, and transportation, would be so improved as to increase production at least 5 per cent. This would add 34,000,000 bushels of wheat, or 232,000,000 bushels of all kinds of grain.

When we set our own house in order we may ask Great Britain and France to do likewise.

COAL.

The brewers of the country used, in 1917, over 3,000,000 tons of coal.

Anthracite coal mine operators estimate that the decreased production of anthracite alone by reason of alcoholic drinks is 7,500,000 tons per year, or about 11 per cent of the total production.

If the same conditions prevail with bituminous, the lessened production of bituminous is 56,000,000 tons, the proportion of bituminous coal to anthracite being  $7\frac{1}{2}$  to 1.

The total additional coal available, without employing one more man or investing one more dollar for plant, is over 66,000,000 tons; and your factory or business or home needs coal.



## TRANSPORTATION REQUIRED BY BREWERIES.

	Tons.
Raw material, 3,000,000,000 pounds foodstuffs, equals-----	1, 500, 000
Require, coal-----	3, 000, 000
Product 60,000,000 barrels-----	9, 000, 000
Total on teams and cars-----	13, 500, 000

All of which require hauling and over one-half of which require railroad transportation. This requires over 200,000 freight cars during the year, and uses several hundred locomotives constantly, and increases freight congestion.

The shortage of labor due to drink is a big factor in the freight tie-up.

## SUGAR.

The breweries use 64,000,000 pounds of sugar; and you are short of sugar.

The sugar shortage is limiting the production of chocolate, though chocolate, in which sugar is used, is a most concentrated food, containing 2,800 calories per pound, and is greatly in demand for our armies and those of our allies.

## LABOR SHORTAGE.

The breweries of the United States employ 65,000 men, but the total engaged in making, handling, and selling it is over 300,000.

A much smaller proportion of the money paid for drink goes to labor than in any other industry.

The Nation needs these men for useful industry. If the supply of drink were stopped a large number of idle drunkards would be restored to the ranks of workers; millions of workers also would work more efficiently and steadily, thus increasing the output in all lines and decreasing the cost of living and of necessities.

When Congress declared war, our industries were already running at normal capacity. We added to their burden an immense war program and took from them 1,500,000 men.

We may thoughtlessly condemn the Food Administration, the Fuel Administration, and the transportation management, but without more men and more efficiency we can not produce and distribute the extra quantities necessary. We must do without some luxuries to permit the sufficient production of necessities.

We believe labor generally is loyal and will more cheerfully give up its beer than will the brewers give up their business.

The building business has been greatly injured, except for war material and food product plants, due to the apparent shortage of labor and high cost of materials, the high cost of materials being due to labor conditions in quarries, mines, lumber fields, planing mills, steel mills, etc., and at the structures.

The cost of building would be automatically reduced at least 15 per cent by the immediate stopping of the manufacture and sale of all intoxicating beverages, without reducing the rate of wages or the profit of the contractors and manufacturers of building materials.

This would cause many manufacturers, who now hesitate, to proceed with the enlargement of their plants or the erection of new plants.

Your business would likewise be increased.

We must all do business and should do more than usual, to pay taxes and buy Liberty Bonds and to enable our employees to do the same, if we would help our Government to the utmost to win the war, and if we do not win, nothing is worth while.

## SHIP BUILDING.

Victory depends on it. We are behind schedule for lack of men and materials. Enough material is not available because material manufacturers can not get enough men and consequently shipyards and manufactories are employing men at tasks for which they are not adapted. Hence, the efficiency of the men is poor. We have enough workmen—unchain them.

## PROSPERITY.

The annual retail drink bill of the United States before the war was \$2,400,000,000. This would take up our first Liberty loan and, in addition, pay the entire cost of the Panama Canal. It equals our normal annual exports.

The great prosperity of the country in 1916 was due to our exports being \$3,000,000,000 in excess of our imports.

National prohibition would give us four-fifths of this prosperity when the world is at peace, by diverting the money, previously wasted, to the purchase of necessities and refinements and for the expansion of business which gives more employment to labor.

This waste of money now makes the financing of the war vastly more difficult.

The country's annual fire loss is about \$250,000,000, but the direct cost of liquor is nearly 10 times as great, and the indirect cost is beyond computation.

#### LIFE AND HEALTH.

Over 50 per cent of the poverty is due to drink.

Poverty is one of the main causes of premature sickness and death.

Commercialized vice is responsible for a large proportion of diseases and hereditary ailments found in our hospitals.

Alcohol stimulates the sexual instincts and weakens the will and moral sense, thus promoting vice.

Alcohol and commercialized vice flourish together and generally die together.

About 66,000 persons die in United States directly from drink each year, but several times as many die from diseases of lungs, kidneys, or liver, etc., because these organs are weakened by "moderate" drinking. Also hundreds of thousands of babies and children die from hereditary diseases and neglect due to drink.

There were 600,000 men rejected from the first draft for physical defects. If the ratio had prevailed throughout the country as in Kansas, which has outlawed liquor 37 years, the rejections would have been only 120,000, or one-fifth as many.

It is one great cause of accidents; in factories, mines, and other industries; truck and auto drivers have access to it.

The world over, more persons died from drink and its effect in 1917 than were men of England and France killed in battle. To appreciate this, look up the data obtained and published by British and American life insurance companies.

#### REVENUE.

The national revenue from beer is \$91,000,000 per year, and for all liquors was \$284,000,000 last year.

It is a poor revenue collector who charges \$7 to collect \$1, but this is the way Uncle Sam farms it out.

The local license tax paid to State and county is not sufficient to pay the excess public cost of the almshouses, asylums, hospitals, jails, courts, police, etc., made necessary by the drink traffic.

One-half of the almshouses, insane asylums, orphan asylums, hospitals and jails, also police courts, would be closed because unnecessary in a few years after the enactment of national prohibition.

Many of them have already been closed in dry States, while in wet States new ones are being erected.

#### PATRIOTISM AND GOOD GOVERNMENT.

While our boys are fighting in France to protect us from the Huns, shall we refuse them food and supplies in order to support this business?

The brewers own a large proportion of the saloons.

Their business is the worst foe to good government and the best ally the Kaiser has in America.

The influence of the brewers and saloons in American politics is evil and corrupting.

Three years ago 88 Pennsylvania brewers were indicted for putting up a slush fund of over \$1,000,000 for election corruption—the election of a United States Senator and a legislature opposed to local option. Each one, upon being called for a hearing, stated or read from a memorandum, "I refuse to testify for fear my testimony might incriminate me."

Their trial was postponed for three years, and then they were convicted but let off with a fine of \$75,000 on a plea of *nolo contendere* (we do not contend). Why?

Shall we allow our will to be thwarted by the most corrupting influence in our public life?

Lloyd-George said three years ago: "We are fighting three enemies, Germany, Austria, and drink, and the greatest of these is drink." If his advice had been heeded then the war would now be won.

Washington, D. C., went dry November 1 last. The next three months there were 2,500 fewer arrests for all causes than before—at the rate 10,000 less per year.

#### WHAT THE GOVERNORS OF DRY STATES SAY.

Gov. Rye, Tennessee: "We have lost the liquor traffic and we are glad. Crime reduced; streets free from drunkards; bank deposits enormously increased; property more valuable; life safer; people more prosperous and happier; public morals on a high plane."

Gov. Kerr, North Carolina: "Twenty-one per cent more children attending school; bank deposits increased 100 per cent; building and loan association stock increased 250 per cent; benefits greatly and continually increasing."

Gov. Carlson, Colorado: "Two thousand new savings accounts opened in one month; collections in department stores broke all records; credit men report many over-due accounts, deemed uncollectable, paid up; crime reduced greatly."

Gov. Hunt, Arizona: "Marked decrease in commitments to prison and insane hospital; needy families perceptibly decreased; no adverse effect upon legitimate business."

Gov. Hanna, North Dakota: "Both from moral and financial standpoint prohibition has been a success in North Dakota."

Gov. Capper, Kansas: "Wealth per capita greater than any other State; death rate lowest per capita; bank deposits largest of any State; fewest tenants; most home-owners of any State; no open bar rooms and auto to every fifth family; 2,000,000 people who never saw a saloon."

Gov. Alexander, Idaho: "Never such beneficial results from any measure in so short a time; Boise chief of police and four policemen dismissed because no longer needed; police courts deserted; city and county jails empty; savings-banks deposits increased; accidents decreased."

Gov. Hatfield, West Virginia: "Business has improved; arrests decreased; insane commitments less; savings-banks deposits swelled; prohibition a great success."

Gov. Clark, Iowa: "Arrests reduced 40 to 45 per cent; commitments to State hospitals greatly decreased; demands on poor fund much reduced; practically all merchants say collections much improved; importation of intoxicants reduced nine-tenths."

Gov. Hays, Arkansas: "Ninety per cent fewer arrests for drunkenness; prohibition decided success."

Failure of war prohibition means that we shall muddle along with heatless days, lightless nights, wheatless days, meatless days, war bread, food riots, bums at home a menace, idleness, loss of production and profits, burglary, crime, less bread coal riots, unfit for military or other service—a long war followed by poverty, degeneracy, business depression.

#### THE REMEDY.

Immediate national prohibition for the war.

Prohibition law for Pennsylvania and every State; 27 have passed prohibition laws.

Ratification of the prohibition amendment by Pennsylvania and 35 other States.

We need war prohibition by Congress immediately.

To wait for the ratification of the amendment would prolong the war and kill our boys.

Conquer the enemy at home which hinders us from conquering the enemy abroad.

#### HOW TO GET IT.

Write your Congressman and the four Congressmen at Large to vote for a law which will immediately stop the brewing of beer and use the foodstuffs thus saved to feed the starving millions.

Register for the spring primary if you did not register last fall and enroll as a member of your party. Don't be a civic slacker.

Vote at primary, May 21, for Congressmen who voted for the prohibition amendment and your interest, and vote for others in place of those who voted against it and you. The four Congressmen at Large voted against you.



See to it that your party's candidate for governor favors prosperity of all the industries instead of this discredited industry.

See to it that your next State senator and representatives are pledged to ratification of the amendment and State-wide prohibition.

See that the votes in your division are properly counted.

Petition the President to commandeer for nonbeverage uses all liquors in and out of bond.

#### REGISTRATION DAYS.

Philadelphia, Pittsburgh, and Scranton, April 17.

In all other cities, May 1.

In boroughs and townships, March 19 and 20.

Yours, for victory and prosperity,

WALTER F. BALLINGER,

*Member of firm of Ballinger & Perrot, Architects and Engineers,  
Seventeenth and Arch Streets, Philadelphia.*

MARCH 18, 1918.

#### WAR-TIME PROHIBITION ASSOCIATION OF PENNSYLVANIA.

What Gen. Pershing says: "There was a time when it was a natural part of a soldier's existence to drink and carouse. That day is past, with the soldier sworn to defend his country's flag and representing the power and dignity of the Nation. Strong muscles, clear brains, high ideals in the soldier, increase the fighting efficiency of the Army, and these qualities of the citizen insure the permanency of our institution."

This is a national organization created for a threefold function—

(a) For the vital patriotic purpose of eliminating the beverage use of alcohol during the period of the war.

(b) To aid in securing in Pennsylvania the ratification of the national prohibition amendment.

(c) To help secure its passage in the National Legislature.

It was brought into existence at the request of the Government authorities in Washington. It has no organic relation with any of the older temperance or prohibition agencies.

It presents an opportunity as an act of patriotism, in a time of world need and crisis, to a large number of people not before interested in prohibition, to come to a new appraisal of the value of alcohol in the social and economic life, and to a new conclusion concerning it.

#### NATIONAL ORGANIZATION.

President: Prof. Irving Fisher, economics, Yale University, New Haven, Conn.

Treasurer: William F. Cochran, 1531 Munsey Building, Baltimore, Md.

Vice presidents: John Wanamaker; Dr. Charles W. Eliot, president emeritus, Harvard University; Dr. J. N. Hurty, health officer of Indiana; Henry Lee Higginson, banker, Boston, Mass.; Rt. Rev. William Lawrence, D. D., bishop of Massachusetts.

#### PENNSYLVANIA ORGANIZATION.

President: Dr. E. E. Montgomery, 1426 Spruce Street.

Secretary: Rev. George Herbert Toop, D. D., 332 South Twenty-first Street.

Chairman of executive committee: Mrs. Joseph M. Gazzam, 265 South Nineteenth Street.

Treasurer: Miss Anna Harris Snyder, 157 Carpenter Lane, Germantown.

Vice presidents: Rt. Rev. Philip M. Rhinelander, D. D., Richard L. Austin, Edward H. Bonsall, Dr. Leo S. Rowe, Prof. William E. Lingelbach, Dr. Judson Deland, Rev. Floyd W. Tomkins, D. D., Dr. Ernest LaPlace, Hon. Martin G. Brumbaugh, William R. Nicholson, George Burnham, jr., Alba B. Johnson, Francis Fisher Kane, Louis J. Kolb, Francis B. Reeves, Albert E. Turner, Dr. J. Madison Taylor.

#### A FEW QUOTATIONS.

David Lloyd George, Premier of Great Britain: "We are fighting Germany, Austria, and Drink, and, as far as I can see, the greatest of these three deadly foes is Drink."

Lord Roberts: "Give me a teetotal army and I will lead it anywhere."

Raymond Poincaré, President of Republic of France: "Drink is as much your enemy as Germany."

Josephus Daniels: "I am doing everything I can in the interest of our sailors and soldiers for war-time prohibition."

Rt. Rev. Philip M. Rhinelander, D. D.: "In regard to the movement in which you are so deeply interested to secure practical prohibition during the time of the war, I need not assure you of my sympathy and desire to help in the cause as I can."

Francis B. Reeves: "The saloon must be put out of business; the bars of clubs abolished. If this is good for war time it is essential for peace time and all time."

Dr. Floyd W. Tomkins: "All who will not give up intoxicants for the period of the war are unspeakably selfish."

George Wharton Pepper: "About three years ago I came to the conclusion that it was a matter of national policy. I look for a landslide for the prohibition amendment."

Mr. DINWIDDIE. We would like to have Mr. Davis, chairman of the Massachusetts War Prohibition Council, say a few words from his personal investigations.

#### STATEMENT OF MR. ARTHUR J. DAVIS, CHAIRMAN OF THE MASSACHUSETTS WAR ORGANIZATION.

Mr. DAVIS. I will be very brief. After hearing Mr. Colby's statement the other day, I communicated with the general manager of the Fore River Shipbuilding Co., at Quincy and Squantum, Mass., and I have the following very brief statement from Mr. S. W. Wakeman, the general manager, which came in the form of a telegram:

Unable to see where war prohibition would in any way hamper shipbuilding program. Believe, on the other hand, it would be of distinct benefit to shipbuilding and to the country at large.

Senator KENYON. How large a plant is this, how many men?

Mr. DAVIS. I do not know how many men are employed there. It is spreading out very rapidly. It is one of the Bethlehem outfits, doing a very, very large shipbuilding business. I can find out precisely how many men are employed.

I then went to New Hampshire, having in mind the fact that New Hampshire has recently gone dry, and may I point out, Mr. Chairman, that New Hampshire did not go dry as the result of the vote of the people. There was a distinction made here this morning between the conditions that result from a State going dry as a result of some form of referendum and the conditions that result when prohibition is forced upon a people by the legislature or by Congress. I may point out that New Hampshire is dry by statutory enactment.

I talked with Mr. Robert Jackson, the vice president of the L. H. Shattuck Corporation, which is commonly known as the Portsmouth Shipbuilding Co. They employ 28,000 men at the present time. They have eight large vessels on the ways, and Mr. Jackson told me that they expect to launch four on the 4th of July. I questioned him particularly regarding the turnover, and he telephoned to his general manager, who supplied these figures: During the month of April, the last month of license, 135 men left the plant for one reason or another; that is, they either left voluntarily or were discharged. In any case, that number represents the number leaving. During the month of May 127 left the plant. There were more men

employed during the month of May than during the month of April. So the turnover was less, rather than more, during the first month of prohibition.

Mr. Jackson told me that he did not feel that prohibition had in any way interfered with ship production. On the contrary, he authorized me to say to you gentlemen that he believed that conditions in the plant were more satisfactory than they were under license.

Senator KENYON. Do they employ some foreign labor?

Mr. DAVIS. Yes; they do. The cities in southern New Hampshire are quite largely foreign. I will not read, but I would like to file with the committee a statement by Mr. Charles A. Bliss, the treasurer of the Bliss Co., shoe manufacturers, covering the effect of prohibition on the shoe industry.

The CHAIRMAN. Without objection, that may be done.

(The telegram referred to is as follows:)

NEWBURYPORT, MASS., June 24, 1918.

ARTHUR J. DAVIS,

*Hotel Driscoll, Washington, D. C.:*

It is a mistake and an injustice to the workingmen to suppose that they object to the prohibition of the sale of intoxicating liquors. As a manufacturer of 25 years' experience it has been my observation that the great majority of workingmen who suffer from the results of the saloon vote against the granting of licenses. Many have made to me the statement we are better off without liquor, and we do not miss it when the saloons are closed, but during license periods when the liquor is constantly before our eyes the temptation is too strong and we fall. Manufacturers in this section favor the prohibition of intoxicating liquors even during normal times, because the efficiency, health, and prosperity of our employees is enhanced by this policy, and through the improved conditions the product is improved and greatly increased. The argument for absolute prohibition during the war period is doubly strong, as workmen are scarce and there is special need now of high efficiency and general well being.

CHARLES A. BLISS,

*Treasurer Bliss & Co., Shoe Manufacturers.*

Mr. DINWIDDIE. At this time, just a moment for Mr. P. D. Selby of the Selby Shoe Co., one of the largest factories in the city of Portsmouth, Ohio, indicating their experience with regard to the efficiency of labor, etc.

#### STATEMENT OF MR. P. D. SELBY, SELBY SHOE CO., PORTSMOUTH, OHIO.

Mr. SELBY. I did not come here prepared to make any speech. We had three years with a dry county. We did not have a bone-dry county or bone-dry conditions, and during that time it took us a year before we could get the blind tigers and illicit liquor selling under control, but from that time on the efficiency of our labor increased materially in the factory, and yesterday I made the rounds of our executives, inquiring of them as to their recollection of the experience at that time, and they could not recall one employee who left on account of liquor being driven out of the county.

Senator KENYON. How many men do you employ?

Mr. SELBY. We employed at that time in the neighborhood of 900 men, and during that time I investigated the condition of our men, and it was noticeable the improved physical appearance of the men. At the end of the three-year period the county voted wet,



and our troubles immediately began. We found more empty liquor bottles in the corners of our factory in the first three weeks in which the county went wet than we had found in the factory during all the three years that it was dry. When the vote came up again, as it came up in the State in 1915, I visited all the factories in the county, and got their signatures to a heading something like this:

We, the undersigned executives (giving the name of the manufacturer), realize that the sale of intoxicating liquors in the open saloon materially reduces the earning capacity of our employees, causes sickness and accidents, and under the workmen's compensation law imposes a heavy tax on industry. We believe that the prohibition of the liquor traffic would improve the quality and increase the sale of our output, due to the earning capacity of our employees, and increase the amount of money to be spent in our community. We therefore urge that business men of our city join in making Ohio dry.

We have here the original signatures of practically every executive—the chief executive and the other executives down to foremen—in the entire county. There is only one manufacturer in the city who refused to sign, and that was on account of other reasons than wanting the State dry. Every experience that we have had would show that a dry nation would be of great benefit.

Mr. DINWIDDIE. We appreciate very much the courtesy of yourself and your conferees, Mr. Chairman, for this time, and I think that we will not trespass further upon the time of the committee, although we could introduce a great deal more testimony of the same character. We know that you want time, you want haste, and so do we.

Senator GRONNA. May I read into the record a short telegram from Dr. Crafts?

The CHAIRMAN. Go ahead.

Senator GRONNA. I received this morning a telegram from Dr. Wilbur F. Crafts—you all know who he is. It is dated Rochester, N. Y., June 24:

In 200 large street meetings of 64 days' automobile tour—Pennsylvania, Ohio, and New York—found workmen willing to sacrifice beer to save needed food, fuel, money, and man power to win the war. Suggestions workmen would put appetite above patriotism resented. Proposed exception of wine ignores fact that chief need is to save man power weakened by saloons, which would remain with wine allowed. Please read at hearings.

I wish to have that printed. I also wish to say, in connection with that, that I have been handed a clipping from some newspaper. I do not know from what paper this has been taken, but I want to have it inserted, because it introduces a new phase on the question of grapes. It is entitled, "Use grape sirup." It is dated Los Angeles, Cal., June 15. To the editor of the Times:

The demand for grape sirup is practically unlimited. Turn our wineries into grape-sirup manufactories and there would be no waste.

Grape sirup with breakfast foods is delicious and healthful. Some people, in fact most people, would be greatly benefited by the free use of such food. No additional sugar is required in the manufacture of grape sirup. The process consists in expressing—

I suppose he means pressing—

the juice from ripe grapes and evaporating the surplus water.

The world demands food, and grape sirup, the fruit of the vine, is one of the best foods.

WILL D. GOULD.

The CHAIRMAN. Gentlemen, I would like to say this to the gentlemen of the committee. Dr. Dinwiddie has concluded. We heard from one side this morning and from the other side this afternoon, and there was about an equal proportion of time allotted. Two gentlemen have spoken to me, one being Mr. Gibonney, of Philadelphia, who has requested permission to say a few words from the investment point of view. It is to the effect that investments in property devoted to the liquor business and licenses paid ought not to be forfeited without some compensation.

Senator GRONNA. As one of the members, I am very willing to hear Mr. Gibonney.

The CHAIRMAN. I was going to say, without the consent of the committee, I did not feel warranted in extending the hearing.

Senator RANDELL. I would not object at all to hearing these gentlemen, but if we are going to open it again we ought to hear from Dr. Dinwiddie in reply.

The CHAIRMAN. That is the point.

Senator GRONNA. The gentlemen are here. They are American citizens, and I think we ought to hear them when they are asking for a hearing.

Senator KENYON. Let us give them five minutes apiece.

The CHAIRMAN. All right. There are two here, one representing the longshoremen and one representing the investment people.

Senator KENYON. Let us give them five minutes each.

The CHAIRMAN. All right.

#### STATEMENT OF MR. D. CLARENCE GIBONNEY, PHILADELPHIA, PA.

The CHAIRMAN. State your name and address.

Mr. GIBONNEY. D. Clarence Gibonney, Philadelphia, Pa. Five minutes is not long enough to give to the consideration of a business that is 200 years old in the city of Philadelphia and the State of Pennsylvania, but you gentlemen have heard a mass of fact and opinion regarding this business, but very little directed to the viewpoint of the status of the business.

The liquor business is a legal business, none more legal in the whole history of the United States. The first legislative assembly of the State of Pennsylvania legalized the rum traffic and provided a way by which liquor licenses should be granted. The debts of the American Revolution were in part paid by a special tax on whisky, and this Nation has met every emergency by some sort of a tax on whisky, until to-day the liquor business is the most highly taxed and the largest revenue-producing business in the country. It is variously estimated that the Federal Government this year will receive anywhere from \$700,000,000 to \$1,035,000,000 as its share of the profits on beer and whisky.

The business is legal. The people made it legal, and they invited the citizens of the United States to engage in this business in a partnership business affair. The city of Philadelphia received on the 1st of June approximately \$2,000,000 in license fees. The men who have licenses there, 1,790 of them, have investments of from \$7,500 up to \$75,000 apiece, the retailers.

A great deal has been said about what the trust companies and the banks would lose if the Jones bill passes. Others have told of

the wonderful good that will come from an abolition of the liquor business. I believe that is true. I am not in favor of the liquor traffic, but it is our traffic, yours and mine. Every one of you Senators and every citizen of the United States is a beneficiary of the rum business or liquor business, and each and every one of us are receiving this year approximately \$10 or \$12 as our share of the profits on the sale of liquor to men and women, and now we are trying to dump all of the onus of this business or the effects of it upon our tools and our partners when we want to accomplish this wonderful reform. Wonderful it may be; wonderful, no doubt, it may be. We want to do it, however, at the expense of our partner, who has divided the profits with us, and we are not providing any means of dividing the losses with him.

This is a serious proposition. No other nation in the world has abolished a legitimate liquor business or any other legitimate business that I know of without some sort of a division of the losses with the man who was put out of business.

England to-day, with the world war on its hands, is contemplating the purchase of every distillery and brewery and public house in the whole of Great Britain. A committee has been in session and has been investigating this subject at the instance of Parliament for the last two or three years, composed of big men, prominent men, from Scotland, Ireland, Wales, and England, and on the 26th of April of this year they reported in favor of Government purchase of the whole thing.

England did the same thing with regard to slavery in 1842, when she abolished slavery, but in our country, when we want to accomplish a great reform, something that will be of great value or help, we want to do it at the other fellow's expense, at our partner's expense, and our fellow citizen's expense, and it is not a square deal. No other country has attempted such a thing.

France purchased all of the absinthe dives in 1915. Switzerland did it in 1910 with absinthe, and every other country that is considering or has considered the abolishment of the liquor business is doing it by government purchase and ultimately getting rid of it, as Russia did with the vodka business.

Russia bought up the vodka business in 1852, and in 1915, when Czar Nicholas turned the key, he did it without costing a citizen of Russia one dollar, because it was run by the nation of Russia, and prohibition propagandists tell us we ought to do what Russia did for vodka, but they do not tell us what Russia did. Russia owned the whole business, and when it closed it up it closed up a thing that was owned by all the people.

But in the United States, where 1,790 law-abiding business men in Philadelphia are engaged in the sale of liquor, they are your partners and mine, and I do not mind telling you that I think the liquor people to-day are getting the short end of it. If the Federal Government gets \$1,035,000,000 this year I would rather have the half of it than all the profits of the liquor business in the United States. Liquor costs on an average to the manufacturer from 25 to 45 cents a gallon to make, and the Federal Government—you and I—get \$3.20 a gallon, which is from 1,400 to 1,600 per cent on the manufacturer's cost, without investing a cent.



I want to say to you that it is not a square deal, and I do not believe that the committee can honestly and sincerely and justly approve of any such amendment as the Jones amendment, which will destroy the investment in Philadelphia, and I am familiar with the liquor people there. I know them all. I have been in touch with the situation there for 32 years.

Senator KENYON. Are you counsel for them?

Mr. GIBONNEY. No; I am not. I am counsel for the Law and Order Society.

Senator KENYON. You are here representing it?

Mr. GIBONNEY. I am here representing it, and I am here as a citizen. I have advocated this proposition in my home town and State for over 30 years.

Senator KENYON. That the Government should buy it?

Mr. GIBONNEY. Yes; that the Government should buy it, or that the people through the Government, when they put this legal business out of business, should divide the losses with those whom they invited and encouraged to engage in the business and invest.

This is answered by the statement that when the liquor people have compensated and reimbursed all the widows and orphans then we will be ready to compensate the saloon keepers. That is not a red-blooded argument. We are responsible for the business, because we legalized it by law. Therefore, we are responsible for the men being in the business, and we are responsible for every drunkard that is created as a result of the business, and we are responsible for every widow and every orphan and every criminal that grows out of it.

Senator KENYON. Then we had better quit?

Mr. GIBONNEY. We ought to quit this business, and we ought to do it to-morrow; but we ought to do it by giving the other fellow a square deal. We ought to say to these rum dealers, "We got you into this; we invited you to put your money in it. It is a bad business and a rotten business, and we are going to illegalize it. You have divided the profits with us of every drink you have sold, no matter what has been the result. We are going to divide with you now the actual losses of the illegalization of the business."

Senator GRONNA. Have you estimated what amount will be required to compensate them for these losses?

Mr. GIBONNEY. I believe the whole liquor business of the United States, if you gentlemen should pass an act illegalizing the business, and propose, for instance, three months or six months or something of that sort as a time in which these men should get out, they would shrink their investments in that time to an amount which I would think would not be more than \$200,000,000 or \$300,000,000.

Senator GRONNA. You are including all the saloons and everything?

Mr. GIBONNEY. Saloons and everything else.

Senator GRONNA. In the whole country?

Mr. GIBONNEY. Yes, sir. It might cost \$500,000,000. Suppose it cost all Uncle Sam is getting out of it for the whole year, would it not be a good thing to do? We have kept up this liquor fight for a hundred years. We have been calling the saloon keeper and the brewer and the distiller crooks and crime breeders, and we know down in our hearts, every one of us know, that we are responsible for

them being in the business, for we legalized it and got cash for it, just as old Shylock got his cash. We have been calling them all kinds of names and holding them responsible for everything that grows out of the business, and we did the same thing to get the money to run the Government. Every Senator here is getting his salary in part from the sale of liquor and beer, and the President of the United States is getting his salary in part from the sale of liquor and beer. We have run our Government from money obtained from this whole thing. We financed the Revolution, we financed the Rebellion, we financed the Spanish-American intervention with the taxes on beer and whisky, and now we are financing this war to make the world safe for democracy with a 600 to a 1,400 per cent profit on the cost of manufacturing whisky, and then we stand up and call the liquor people crooks.

I want to say to you that it is mighty poor sportsmanship, and shows mighty poor patriotism and nerve in doing that kind of thing. Let us wipe it out, wipe out all the dens and say, "We are responsible for this thing. We got you fellows into this business. It now develops that, although it has been known." Mr. Bryan said the other day that the effects of liquor have been known since the beginning of humanity, and that is true. We have had drunkards ever since the world began, so that our legislators and our citizens can not plead ignorance. They can not claim that when they legalized this thing they did not know what it produced. And we legalized this business for the purpose of getting out of paying taxes on other things that we should have paid taxes on, and we have utilized the sale of liquor for the purpose of raising revenue to run the country and run the Government, and now we are trying to dump all the onus and all the responsibility for the sale of liquor, which we now object to and which we all knew in advance, on the saloon keeper and the hotel man and the distiller and the brewer, and there is not a single thing in it that is honorable and there is not a single thing in it that is honest. There is not a thing in it that is just, and there is not a thing in it that is honest at all. If we want to get rid of it, let us do it like every other nation has done. If there is a Senator here or in Congress, or a man in the United States, that can name one civilized nation that ever took such action as is proposed in this country with regard to the liquor business, I shall have nothing more to say.

Senator KENYON. Do you license in Philadelphia houses of prostitution?

Mr. GIBBONEY. We do not, and never have; but I want to tell you what has happened. Every house of prostitution that ever sold liquor in Philadelphia without a license Uncle Sam collected a revenue from, and in New Orleans it was the same way. He has got it in every bagnio and dive and den in the United States that sold liquor to young men and women. His revenue receipt is hanging on the wall of every dive in Philadelphia, and I know, because I have been there prosecuting violators of the law, dive keepers, since 1889. I have prosecuted 20,000 dive keepers in Philadelphia, and I have turned over the evidence to the United States authorities showing that fact, that I and Senator Kenyon and all the rest of us were partners there in the sale of the rum in that institution.

Senator KENYON. The posters did not say you were a partner, did they?

Mr. GIBONNEY. No; but they said Uncle Sam was, and you and I are a part of that.

Senator KENYON. No; we are not a part of that.

Mr. GIBONNEY. We are partners in being beneficiaries. We want to accomplish a great reform—at whose expense? Yours and mine? No. We want the other fellow to take all the loss. Then we say that the liquor business was a bad bargain. Suppose it was? If you gentlemen and I engage in a contract, fair, and we do it, you to get a certain amount and me to get a certain amount, and the time comes when one of us is ashamed of the results of the business, we can not go to the other man and say, "We will shut you up, but you take all the loss." We have got to say, "I am going to divide the loss." If that is not honest and fair, and if it is not the proper thing for the United States to do that kind of thing, after sharing the profits in this business, I do not have anything more to say.

Senator RANSDELL. What was done in the various States that have gone dry? Can you tell us what has happened there?

Mr. GIBONNEY. The various States did what Michigan did. They took that money from the rum business year after year, and then organizations were formed. Mr. Proebstle has told you how he was at the head of influential organizations, and they have organized political movements and they have made the thing illegal, and I do not think they have asked in a single State, except one, and that was Nevada the other day, and they did the right and honest thing out there.

Mr. WHEELER. No; they did not.

Mr. GIBONNEY. The liquor people and the Anti Saloon League and the temperance people and the governor all sat down together, and that is what ought to be done in this country. They sat down there at a conference, and they agreed to have a State-wide prohibition amendment, and the officials of the Government agreed at that time to pay compensation, and they agreed to give certain men 75 per cent of their losses, and others 40 or 50 per cent, and that is the nearest to a square-deal proposition that has been tried out in this country. We have taken our partners by the neck. We have charged them with being crooks, until hardly one of them has nerve enough to stand up and defend his business, and called them all kinds of names.

Senator RANSDELL. Has not there usually been time enough given them to dispose of most, at least, of their affairs and merchandize?

Mr. GIBONNEY. No. In some cases they have tried to, but see how unfair that is. We claim, Mr. Wheeler and Mr. Dinwiddie, and all of us claim, that we want to get rid of the liquor business because of the great human sacrifice, instead of putting up a lump sum of money or paying something in cash. Is it fair to say that we want to pay for their losses and close up their places to-morrow, but we will give them a year in which to continue this human sacrifice?

Senator RANSDELL. Have you examined Article V of the Constitution, on the question of due process of law as applied to taking this property?

Mr. GIBONNEY. I do not know. I have read so much I am not sure whether I have or not. One answer to compensation is—Mr. Wheeler may make it—that there is no inherent right in the liquor business. All the worse for us. If selling liquor is wrong per se,



and the people, through their Government, went out of their way to make liquor, oh, that puts us in a thousand times worse position than if it had always been a legitimate proposition of barter and sale. We went out of our way to take hold of a business in which no man had an inherent right, and we gave them the legal right, and then we complain now.

Senator KENYON. The Supreme Court says that they have no inherent right.

Mr. GIBONNEY. That is what the opponents of the business say, and yet we gave them a legal right—

Senator KENYON (interposing). We gave them a license.

Mr. GIBONNEY. That is splitting hairs.

Mr. DINWIDDIE. Not on your life.

Mr. GIBONNEY. When whisky costs the manufacturer to make from 25 to 45 cents a gallon, and we come along when we need money and we ask them for \$3.20 as our share of a thing that cost 25 cents, I do not care whether you call it a license or a tax, it is a share of what the temperance people call blood money, and we are tickled to death to get it. We are after more all the time, and then the fellow that collects it, we call him a crook, but we get the money; and when munition plants and other corporations are making large excess profits, we come along and take more of those profits, then we think perhaps we can fool God Almighty and the people, and we commence to elbow the rum traffic out and call the liquor people, from whom we took money for over a hundred years, crooks.

Can the United States Senate and the United States Congress put their stamp of approval on any such proposition as that? I can not believe it. We do not care how bad you picture the effects of the rum traffic. In my opinion you can not exaggerate them, but it is our traffic.

Senator Sheppard made a wonderful speech some time ago, and he said that the salaries of United States Senators are paid out of the profits from liquor, and he called it a partnership; and oh, how he did hammer it in about the sale of the goods under that partnership! Senator Morris Sheppard told the truth, but he did not say that one member of the partnership should pay any of the costs of wiping out the partnership, and some of the people want to put it all on one crowd. They want to take advantage of the minority. There are about 200,000 men engaged in the actual sale and manufacture of liquor—in the making and distillation and selling of liquor. But there are 100,000,000 who are beneficiaries of the profits of that business. Why should 100,000,000 benefit from the sale of a commodity that is as dangerous in its effects on humanity as Senator Sheppard and other prominent prohibition advocates say? Why ought 100,000,000 be allowed to slide out and not take their measure of the losses, they having for 200 years in this country taken their share of the profits? There is not anything honest or honorable in it.

Mr. WHEELER. May I make this brief statement as a correction? The temperance people have not agreed in Nevada to this proposal for compensation. I have just received word from there. The wets put it before them in a conference, and, of course, they rejected it, as they have in every State and every subdivision of this Government. The reason for it is set forth in the brief which your committee permitted me to file on this very proposition. I understood

that Mr. Gibbonney was to present his usual argument for compensation.

The Supreme Court of the United States has answered it over and over again in every detail; they have no just claim for compensation. They went into this business knowing that they were going into a business which was a source of crime and misery, as the court said. They therefore had no just claim against the Government when the people used their inherent right to stop them from doing a thing which was injurious to the Government. Just this sentence is a complete answer to that, from the Supreme Court:

The power which the State has of prohibiting such use by individuals of their property as will be prejudicial to the health and good morals and the safety of the public is not, and—consistently with the exercise and safety of organized society—can not be burdened with the condition that the State must compensate such individual owners for pecuniary losses they may sustain, by reason of their not being permitted, by a noxious use of their property, to inflict injury upon the community.

The Government says you can use that property, but you can not use it for a purpose that produces crime and misery. That is what the liquor business does; therefore it has no just excuse for saying that it should not be regulated by law.

Senator RANSDELL. That is a State law that you refer to. The Supreme Court was ratifying the action of some State statute?

Mr. WHEELER. Yes, sir.

Mr. RANSDELL. Will you refer me to the article in the Constitution that permits Congress to legislate with regard to this matter?

Mr. WHEELER. We presented the argument for the legal authority for war prohibition.

Senator RANSDELL. I heard every word you said.

Mr. WHEELER. Our contention is that war prohibition has a reasonable relation to that part of Article I, section 8, which gives Congress the right to raise an Army and support the Army. If war prohibition does not have a reasonable relation to the raising and supporting of the Army by eliminating an institution that cripples the Army and cripples those who support that Army, I can not follow the logic of the decisions that they have made on other questions. They have gone further than that. If Congress or a State government has authority to do a certain act, then any other act which has a reasonable relation to that comes within the jurisdiction of Congress or the legislature to act upon it. We believe that this bill has a reasonable relation to the support of the Army, and, if it does not, in all probability the Supreme Court would not sustain it.

Senator RANSDELL. This one article, Article I, section 5, says that no person shall be deprived of life, liberty, or property without due process of law. It is due process of law for us to pass a sweeping statute of this kind, saying that after a man has paid his internal-revenue tax and his license and everything of that kind, he should be deprived of all of that property?

Mr. WHEELER. When he uses that property so as to injure the public health and the public morals, the Government can take that away from him at any time without paying him one cent as compensation. That is the principle laid down.

Senator RANSDELL. That has been decided in some of the State cases, I know.

MR. WHEELER. That has been decided in the case of *Mugler v. Kansas* (123 U. S., 123).

The CHAIRMAN. That has relation to a State law?

MR. WHEELER. Yes; but the principle is the same. They depended upon having the Supreme Court, because of this same Federal clause, hold that you could not take away a man's property in the State because of this Federal provision. That applies when you pass a State prohibition law as well as a Federal law. The only question that arises is whether Congress has the constitutional authority to pass this act. If it has the authority to pass the act, then there is not a shadow of doubt but what they can pass the law and take away their use of that property for selling liquor just as they can in the State.

Senator RANDELL. Your contention is that we derive that power from the war-making power?

MR. WHEELER. Yes.

Senator RANDELL. We tie it up in such a way as to make it essential for the proper carrying on of the war?

MR. WHEELER. That is our theory.

Senator RANDELL. Yes; I understand that is your theory.

MR. WHEELER. Yes, sir.

(Telegrams submitted by Mr. Wheeler are here printed in full, as follows:)

CLEVELAND, OHIO, *June 24, 1918.*

WAYNE B. WHEELER,  
30 Bliss Building, Washington, D. C.:

Please hand this to committee considering prohibition of liquor traffic. Eighty-three Methodist ministers write that a membership and constituency of 50,000 people in Cleveland and vicinity respectfully urge the prohibition of the liquor traffic. Man power, food, coal, and intelligence and patriotism must be conserved. The liquor traffic is the Kaiser's best ally; put him out.

R. A. ELMER,  
A. N. PEARCE, *President*,  
Rev. CARL GAGE, *Secretary*,  
JOHN S. RUMBEG.

RICHMOND, VA., *June 24, 1918.*

HON. WAYNE B. WHEELER,  
30 Bliss Building, Washington, D. C.:

Kindly turn over the following telegrams and letters to Senator Gore.

JAMES CANNON, Jr.

EXECUTIVE MANSION,  
Richmond, Va., *October 13, 1917.*

DR. JAMES CANNON, Jr.:

MY DEAR DR. CANNON: I have your letter of October 4 requesting a statement of my opinion as to the effect of prohibition upon the material and moral welfare of the State. In a material sense the benefits of prohibition appear, first, in the saving to the individual for the more profitable and less harmful uses of money formerly spent for strong drink, much of which so spent drawn from those least able to spare it; second, increased individual efficiency in every line of human endeavor; third, the aggregate contribution to the public welfare arising from individual savings flowing through more healthful channels of trade, and the increased productivity arising from increased individual efficiency. The moral welfare has been promoted by the withdrawal of a temptation from the masses which has been the most prolific of all causes of want and suffering and crime.

HENRY C. STUART,  
*Governor of Virginia.*



CAPRON, VA., June 20, 1918.

Dr. JAMES CANNON, Jr.:

So far as our experience goes in our manufacturing plant, the labor is at least 50 per cent more efficient and capable, and we find it takes 10 per cent less laborers in number to keep a crew than when we had the saloon. The moral conditions are so much improved that we can hardly describe the difference.

W. H. VINCENT,  
*Lumber Manufacturer.*

SOUTH BOSTON, VA., June 20, 1918.

Dr. JAMES CANNON, Jr.:

I am glad to be able to say that the benefits of prohibition in our State, both upon business and the homes of our people, has been incalculable since our law took effect in November, 1916. I am sure that no power on earth could induce our people to ever legalize the sale of liquor in our State again.

R. S. BARBOUR,  
*Capitalist and Manufacturer.*

QUANTICO, VA., June 21, 1918.

Mr. L. J. HOUSTON:

Superintendent Potomac Shipyard here instructs me to say to you he is opposed to sale of beer and whisky anywhere near his yard, for he would be afraid of the injury resulting to the efficiency of his men.

TYSON JANNEY.

MOREHEAD CITY, N. C., June 21, 1918.

From observation of the Government shipyard and a private boat-building plant at this point, we are thoroughly convinced that the benefits of prohibition tend to increase the efficiency of the workmen and greater results are obtainable than where beer and whisky can be had at will. We feel that Congress would be rendering a specific beneficial service to the shipbuilding of the United States by arbitrarily prohibiting the manufacture and sale of beer and whisky at this time.

G. P. Hood, mayor and cashier bank, Morehead City; Chas. S. Wallace, president Marine Bank; W. J. Hales, wholesale grocer; S. A. Chalk, druggist; J. A. Guthrie, manufacturer fish fertilizer; E. A. Council, cashier; R. W. Taylor, manufacturer fish fertilizer; A. C. Davis, secretary Carterest Ice Co.; Jno. F. Bell, manager Bell-Wallace Boat Yard; W. M. Webb, secretary and treasurer Wallace Fisheries Co.

SAVANNAH, GA., June 21, 1918.

Bishop JAMES CANNON,

*Bliss Building, Washington, D. C.*

Manager H. R. Curwen, of Foundation Ship Co., says national prohibition could be only beneficial. Secretary S. Russ, of Terry Shipyard, says it is entirely desirable. Both say access to alcohol would reduce their output 20 per cent.

W. N. AINSWORTH.

MOSSPOINT, MISS., June 21, 1918.

Bishop JAMES CANNON,

*30 Bliss Building, Washington, D. C.*

Dantzler says we have prohibition and considers that to do away with it would demoralize shipbuilding program. Hodge says this is to advise that our experience has taught us that prohibition will add to the efficiency of this and like work, and that we say to you that we feel sure that if strict prohibition rules are put in effect it will not decrease our opportunity to secure labor, but, on the contrary, it will help the men now working to be more efficient, and we think it will be a benefit to the shipyards industry, and that we heartily recommend strict prohibition, especially at this time.

J. A. MOORE.

The CHAIRMAN. We will be glad to hear from the longshoremen.

**STATEMENT OF MR. JOHN F. RILEY, REPRESENTING THE LONGSHOREMEN'S UNION, NEW YORK CITY.**

Mr. RILEY. Mr. Chairman, I have been sent here by my organization. I represent an organization in the port of New York—about 50,000 workingmen. We think that by passing this law for prohibition it would be detrimental to the workingmen at the port of New York at this present crisis. We claim that our organization is doing as much as any other citizens throughout the country in helping Uncle Sam to hurry munitions and food to the boys across the sea. We have now in our organization 8,500 boys enlisted in the colors in the Army and Navy, and we claim that by passing this law it would be the greatest detriment to the rank and file of our organization, which means 50,000 workers in the port of New York.

The previous speakers have eulogized Detroit, but when you figure Detroit with the port of New York it is only a small corner of the earth. That is the way we figure it in New York; and while they employ 600 or 700 at a small plant, we employ along the water front 50,000 longshoremen that are really sending the stuff over to the fighting boys. We are sending the ships away on time, and ahead of time, and we are going to continue to send them away; but we do ask this honorable committee that you will bear this in mind, that the longshoremen for the past 75 or 80 years have always been used to having beer as a beverage. They claim that it stores more energy to come back after they have gone out to do the laborious work which a longshoreman is compelled to do.

Some of the previous speakers—if I could take them down, I know, in the bowels of the ship at the present time, when Uncle Sam demands extraordinary efficiency, and our organization is giving it at the present time—I know if I could take some of these prohibition advocates—I do not drink myself, but I can say that it is going to be no benefit for the longshoreman at this particular time. My longshoremen sent me here to protest against it as hard as I possibly could, because we claim it will not be a benefit to the longshoremen if they can not have their beer. I am talking about having it regularly, as they have been having it right along.

I am sure, so far as morals are concerned, if you go along the port of New York you will find the majority of longshoremen of good character. I do not think they take beer to excess, and I think it will be a great benefit if it is continued, and I have been asked to appeal to your committee and to say that we object strenuously to prohibition, especially at this time.

As I said before, we are helping and hustling along the shipments to the boys on the other side, and we want to continue to do that, and it is going to be a detriment to our organization and good old Uncle Sam if this beer is taken away from them.

I thank you, gentlemen.

The CHAIRMAN. At the request of Mr. Kahn, the stenographer will at this point insert in the record a telegram from Mr. Pillsbury, of San Francisco. The telegram referred to is here printed in full, as follows:

SAN FRANCISCO, CAL., June 22, 1918.

Hon. JULIUS KAHN,

Washington, D. C.:

Your esteemed colleague, Mr. Randall, must have been misinformed as to many matters stated by him before Committee on Agriculture about California

Wine Association. Out of more than 175,000 acres of wine grapes in California the association does not own or control over 8,000. The corporation has over 400 stockholders, more than 90 per cent of whom are residents of California. All the officers and directors are also such residents. It has no connections with Wall Street and its stock is not listed in New York. It has been in business more than 20 years and expended more than \$1,000,000 to bring choicest vines from Europe and develop best varieties of wine, all of which investment promises to be lost by prohibition. It has never been in politics and respectfully objects to being made the subject of attack for political ends.

E. S. PILLSBURY.

Mr. DINWIDDIE. With your permission, Mr. Chairman, I shall just add a few words in further reply to Mr. Gibbonney at this time, because Mr. Wheeler only had about six minutes to Mr. Gibbonney's 27, and we are asking for just a few words in refutation of some of the claims that he erroneously made.

The CHAIRMAN. Yes, sir.

Mr. DINWIDDIE. Mr. Chairman. I thought that the Senators were tired and some of them wanted to go to the Senate Chamber. I understood that, and said that I would content myself without arguing any further at this time or taking any further time of the Senators.

The CHAIRMAN. I thought you wanted to be heard a few minutes.

Mr. DINWIDDIE. No. If I could just put in a few words now in refutation of what Mr. Gibbonney has said.

The CHAIRMAN. Certainly. I thought you wanted to be heard at this time.

Senator Sheppard submitted certain telegrams, which I will ask to be inserted in the record.

(The telegrams referred to are here printed in full, as shown:)

MOWEAQUA, ILL., June 24, 1918.

Senator MORRIS SHEPPARD,

*United States Senate, Washington, D. C.:*

In reply to telegram will say our records show that we average 10 per cent of miners of drinking for one year. The per cent is growing. These are daily records with prohibition. Can increase our production 15 per cent with present working force.

MOWEAQUA COAL M. & M. Co.  
Per CHAS. AHL.

HOLYOKE, MASS., June 24, 1918.

Senator SHEPPARD, *Washington, D. C.:*

It will be disastrous if liquors in bond and brewery property are confiscated. We hold warehouse receipts for hundreds of barrels and brewery stock as collateral for loans. Such loss at this time will financially injure many banks.

PARK NATIONAL BANK.

LA SALLE, ILL., June 23, 1918.

Hon. MORRIS SHEPPARD,

*Washington, D. C.:*

We consider that use of strong drinks, mainly beer, decreases our output 5 to 10 per cent every Monday and every day following semimonthly pay days and holidays, and that this serious loss would be remedied by national prohibition to benefit of workmen employees and public.

OGLESBAY COAL Co.



PANA, ILL., June 24, 1918.

Senator MORRIS SHEPPARD,  
United States Senate, Washington, D. C.:

Prohibition increases coal production. Our city wet last year, dry this year. Coal production increased with less workmen. Men work steadier.

PENWELL COAL MINING Co.

ASSUMPTION, ILL., June 24, 1918.

Senator MORRIS SHEPPARD,  
Senate Chamber, Washington, D. C.:

Beer drinking is decreasing the output of our mines over 10 per cent each day directly and more indirectly. Total prohibition of all intoxicants would very largely increase the output of our mines. Our records showing cause of idleness of miners will prove the above. Stop the breweries at once.

THE ASSUMPTION COAL & MINING Co.

DETROIT, MICH., June 24, 1918.

Hon. MORRIS SHEPPARD,  
United States Senate Chamber, Washington, D. C.:

We have had opportunity of comparing results of so-called wet and dry conditions of morale of our ship workers. We are firmly convinced if prohibition in Michigan is continued our program for output of ships for Shipping Board will be maintained. If any modification is made in the law, a marked bad effect on the efficiency of our men will be felt.

GREAT LAKES ENGINEERING WORKS,  
JOHN R. RUSSEL, President.

DETROIT, MICH., June 24, 1918.

Hon. MORRIS SHEPPARD,  
1620 Massachusetts Avenue, Washington, D. C.:

Answering telegram addressed to President M. E. Farr, who has left office for Cleveland. Our superintendents all report a marked improvement in regularity and efficiency of our working forces since the prohibition act went into effect May 1 last.

DETROIT SHIPBUILDING Co.,  
E. KETCHAM, Secretary and Treasurer.

DALLAS, TEX., June 22.

Senator MORRIS SHEPPARD,  
Washington, D. C.:

Have just received telegrams from shipbuilding companies operating in Texas testifying as to effect of prohibition on output of ships for winning the war. Request that they be read into the record and be presented before the hearing of the Committee on Agriculture next Tuesday:

"ORANGE, TEX., June 21, 1918.

"A. J. BARTON, Dallas, Tex.:

"Your wire 20th. Unquestionably there has been decided improvement in working conditions at our plant since saloons were closed. Larger percentage of our men make full time. We would regret to see any compromise, and absolutely can not agree that prohibition has reduced shipbuilding output in our locality.

"SOUTHERN DRY DOCK & SHIPBUILDING Co."

"BEAUMONT, TEX., June 22, 1918.

"A. J. BARTON, Dallas, Tex.:

"Wire June 20th. First we consider prohibition very beneficial to our operations. We are heartily in favor of nation-wide, absolute prohibition.

"MCBRIDE & LAW."

"BEAUMONT, TEX., June 22, 1918.

"A. J. BARTON, Dallas, Tex.:

"Your telegram 20th. Our forces selected by expert prior to and after prohibition, so we have not had the usual difficulty other yards might have experienced, and we are therefore unable to give you any comparative evidence.

"BEAUMONT SHIPBUILDING & DRY DOCK Co."

"BEAUMONT, TEX., June 22, 1918.

"A. J. BARTON, Dallas, Tex.:

"Prohibition has benefited workmen in our yards.

"J. N. McCAMMON."

A. J. BARTON.

MINONK, ILL., June 23, 1918.

Senator MORRIS SHEPPARD, Washington, D. C.:

Records show our coal production much lower on days immediately following pay days and holidays, approximately 30 per cent less than normal. If intoxicating liquor were not available our production would show a substantial increase, no doubt, of 10 per cent above our present average output. Do not think that isolation of mining districts alone would benefit, as labor would tend to drift to centers where liquor could be procured.

MINONK COAL CO.

SAN FRANCISCO, CAL., June 24, 1918.

Senator MORRIS SHEPPARD, Washington, D. C.:

Newspapers represent Bainbridge Colby, of Shipping Board, as saying that denial of beer to employees of shipbuilding yards would decrease production 25 per cent. Understood here more ship tonnage in given time produced in Seattle than anywhere else in world. Portland also good record. Both Oregon and Washington dry. Recent extraordinary performances at Mare Island since zone made dry by efforts of commandant backed by Secretary of Navy. Men in charge of manufacturing interests in dry territory who have had opportunity to compare results in cost and volume of production under wet and dry conditions make statement in emphatic terms that prohibition eliminates the chief evil they have to contend with. Without expressing opinion of best way to handle this question, the Colby statement can not go unchallenged.

ROBERT DOLLAR.

The CHAIRMAN. The committee will now adjourn.  
(Whereupon, at 5 o'clock p. m., the committee adjourned.)

818 Fa

# **FOOD PRODUCTION ACT, 1919**

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## **HEARING**

BEFORE THE

## **COMMITTEE ON AGRICULTURE AND FORESTRY UNITED STATES SENATE**

SIXTY-FIFTH CONGRESS

SECOND SESSION

ON

## **WHEAT AND BEEF CATTLE.**

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WEDNESDAY, AUGUST 28, 1918

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Printed for the use of the Committee on Agriculture and Forestry

## **PART 2.**



WASHINGTON  
GOVERNMENT PRINTING OFFICE  
1918



COMMITTEE ON AGRICULTURE AND FORESTRY.

THOMAS P. GORE, Oklahoma, *Chairman*.

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MORRIS SHEPPARD, Texas.

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JOSEPH I. FRANCE, Maryland.

H. M. KAY, *Clerk*.

# FOOD PRODUCTION ACT, 1919.

WEDNESDAY, AUGUST 28, 1918.

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE AND FORESTRY,  
*Washington, D. C.*

The committee met, pursuant to adjournment, at 10.30 o'clock a. m., Senator Thomas P. Gore presiding.

Present: Senators Gore (chairman), Sheppard, Kenyon, Wadsworth, and France.

Present also: Senator James D. Phelan, of California.

The CHAIRMAN. I want to say to the members of the committee that Dr. Spillman, of the Department of Agriculture, is here. I have been intending for some days to give him an opportunity to appear before the committee. Mr. Carmichael said he would take only a few minutes, and we will hear him first, as the doctor has kindly agreed to wait.

(The committee then heard the statements of witnesses on the provisions of the bill relating to the prohibition of the manufacture, etc., of intoxicating liquors, which are printed separately. Thereupon the following occurred:)

The CHAIRMAN. We will first hear Dr. Spillman. Dr. Spillman, I would like to ask if any inquiry has been made by the Department of Agriculture as to the cost of producing wheat and the cost of producing cattle in the United States?

## STATEMENT OF DR. WILLIAM J. SPILLMAN, CHIEF OF OFFICE OF FARM MANAGEMENT, DEPARTMENT OF AGRICULTURE.

Dr. SPILLMAN. I will state, Mr. Chairman, that for 10 years past the office of farm management has been investigating the entire subject of cost of production on the farm, and that it has given more attention to the cost of producing wheat and beef cattle than it has to any other farm products.

The CHAIRMAN. I wish that you would, in a few words, outline the method of arriving at costs, if you have formulated a method, and then give us, as far as you can, the results of your investigation.

Dr. SPILLMAN. In the study of this subject we were confronted by the difficulty that on the great majority of American farms the farmers do not keep any records, and at first it appeared to be a very difficult task to get the facts about the cost of production on those farms. We solved that problem in a way that appears to be satisfactory, as follows:

We instituted a system of bookkeeping on 150 farms, scattered pretty well over the country. On some of those farms we have as much as nine years' continuous records, in which the farmer recorded, on blanks we furnished him, every quarter of an hour's work he did during the year and every cent that he spent or received. We have found only two important farm products that are not included in those records; one of them is sugar cane and the other is rice.

With the exception of those two crops those records showed us the items that enter into the cost of production; then it was necessary for us to learn how the farmer carries those items in his head, and to test the accuracy of the farmer's knowledge. For instance, in getting at the cost of an acre of wheat it is necessary to know the number of hours of man labor required to plow an acre of land. Now, when we go to a farmer who keeps no records and ask him that question he throws up his hands and says, "I don't know a thing about it; I never thought of that." But when we ask that same farmer in a different way we get a prompt and highly accurate reply. We ask, "Suppose you are sowing wheat after wheat and you are plowing stubble in the summer time, what kind of rig do you use?" He says, "I use a 14-inch plow and a couple of 1,200-pound horses." We ask, "How much do you plow in a day at that time of the year on wheat stubble?" He replies, "Well, sir, I can plow about an acre and five-eighths at that time of the year."

Now, that is an answer given by an expert, frequently of 40 years' experience; it is not a guess. After learning the nature of the items that enter into the cost of production—and we learn that through bookkeeping work—and after learning how the farmer carries those items in his head, we tested out the accuracy of the farmer's knowledge as he carries it in his head. In general, we found that when the questions asked call for information in the form in which the farmer carries it in his head, the degree of accuracy in the answers is very satisfactory.

The CHAIRMAN. Have you formulated a series of those questions that you submitted to the farmers?

Dr. SPILLMAN. Oh, yes.

The CHAIRMAN. I wish you would attach that to your statement.

(The questionnaire referred to is given at the end of this hearing.)

Dr. SPILLMAN. On the basis of this 10 years' work in bookkeeping we formulated blanks and provided columns for recording the information in the terms in which the farmer thinks, and then another column for calculating the information in the form in which we have to have it. After that we experimented to find how many farmers we had to get in order to obtain an average that would be reliable. In general, we have found that if we obtain two sets of 40 farms each in one community the averages of the two sets differ very little. If the number of farms is much smaller than this, the differences begin to become considerable.

There is one other great difficulty. A plow, for instance, is utilized in the production of five or six different crops on the farm; there may be 10 acres of this, 40 acres of that, and 70 acres of something else. It is no small task to apportion the cost of that plow among these various crops.

The CHAIRMAN. Or the depreciation?



Dr. SPILLMAN. Yes. The cost of the plow includes depreciation, repairs, and interest. How are you going to apportion that to all these various crops? One large Government organization in investigating the cost of production of an important agricultural product omitted all charge for the use of agricultural implements on the ground that these implements were used for other things on the same farm, and there was no way of getting at an estimate of those costs.

The CHAIRMAN. Dr. Spillman, in relation to the wheat figures that you are going to submit, did you make any allowance for weather risk?

Dr. SPILLMAN. No. As I say, this work had to be gotten out so hurriedly we did not have time to do that, Senator. The figures I shall give you here this morning make no allowance whatever for weather risk.

The CHAIRMAN. That is one of the most important factors, is it not?

Dr. SPILLMAN. It is a very highly important factor, but it is not in these figures, because we have not had time to put that in.

The CHAIRMAN. Is that the only important factor that you think of that has been left out?

Dr. SPILLMAN. I think it is; yes, sir.

The CHAIRMAN. I should be very glad, Doctor, if you would give us the results of your investigation as to wheat, upon the method you have outlined.

Dr. SPILLMAN. I will give you the results for wheat. We have a big map showing the production of wheat all over the United States, production being indicated by dots. That map, by the way, is reproduced in that little Geography of World Agriculture which we published some time ago. On that map we picked out the localities that would be representative of the wheat areas of the United States, and we got farms enough in each of these areas to give us a reliable average. The figures that I am giving you relate to the crop of 1917-18, the crop we are now beginning to eat.

The CHAIRMAN. Harvested this summer?

Dr. SPILLMAN. Harvested this summer. The figures do not include any risk the farmer takes in planting wheat, but do include everything else we know of.

First, there is a region around where the States of Colorado, Kansas, and Nebraska meet, an extensive wheat-growing region, where the methods are themselves very extensive; and we find cheaper production of wheat in that locality, when we leave the risk out of consideration, than anywhere else. But we know the risk there is greater than it is in any of these other localities, so it will probably about even up the final cost.

In that particular region the cost of the present wheat crop was \$1.60 a bushel. The average yield was 8 bushels to the acre. That is based on the cost to a renter who pays one-fourth of his crop as rent, which is the prevailing practice for that region.

Next is the State of North Dakota. We have quite ample figures from North Dakota, from five years' bookkeeping records. We have made a careful study of the increase in prices in North Dakota during that five-year period, and we applied those prices to the data that we had accumulated during the five years. The cost there for this

present crop, yielding 13 bushels to the acre on the farms studied, was \$1.81 a bushel, on a basis of one-third rent in lieu of interest on the investment, taxes, and upkeep of real estate. Those items are all included in the rent, so that no charge is made for them.

In connection with that, let me call attention to the fact that the number of hours of man and horse labor used in producing an acre of wheat in that first region I spoke of—Colorado and the corners of Nebraska and Kansas—were 5 hours of man labor and 15 hours of horse labor. The average on these North Dakota farms is 6 hours of man labor and 19 hours of horse labor, which about accounts for the difference.

Coming now to that large wheat area in southeastern Nebraska, central Kansas, and northern Oklahoma, we made a pretty big study in that region, and I think the figures we have for that region are fairly accurate. The average there is \$1.84 a bushel, with a yield of 14 bushels to the acre, with 10 hours man labor and 27½ hours horse labor per acre. That was the average on the farms we studied this year.

For the North Central States, the studies were made in Illinois, Missouri, and Indiana, but the figures are representative of a larger number of States. The cost there is \$2.26 a bushel, with a yield of 16 bushels. The man labor and horse labor per acre in that region as compared with the summer-fallow region in the West is 16.6 hours of man labor against 5 on the plains, and 34 hours of horse labor against 15 on the plains. We have the details of why that difference exists.

Now, we have some accurate records from the State of Kentucky. In that region the figures are higher, because of the higher cost of supervision. The farms are worked by negro labor, and there must be a hired manager, and that cost is reflected in the figures. The cost was \$2.50 a bushel for the present crop in Kentucky, on a yield of 14 bushels, with 18 hours of man labor and 28 hours of horse labor.

Then we have an area lying north and west of Washington City and extending north to central Pennsylvania, which is one of the large wheat districts of the East, and we have a similar area in western New York where the conditions are about the same and the costs are about the same. The average for this region here is \$2.25 a bushel, on a basis of 17 bushels per acre. This is a region where fertilizers are used largely on wheat, and where the man labor and horse labor per acre are high, amounting on the average to 15 hours of man labor and 35 hours of horse labor. That is due to the fact that somewhat smaller implements are used, and the good wheat soils here are heavier than they are in the West. The fields are also smaller.

The following is a summary of the figures for wheat :

Locality.	Cost per bushel, 1917-18 crop.	Yield.	Hours of labor per acre.		Rent share.
			Man.	Horse.	
		<i>Bushels.</i>			
Western Plains.....	\$1.60	8	5	15	One-fourth.
North Dakota.....	1.81	13	6	19	One-third.
Central Plains.....	1.84	14	10	27½	Do.
North Central States.....	2.26	16	17	34	Do.
South Central States.....	2.50	14	18	28	One-third (sup. high).
Central Atlantic.....	2.25	17	15	35	One-third (sup. mod.).

I want to call your attention to one very important consideration. Here [exhibiting a chart] is a curve; it does not apply to these exact figures, but it applies to rye in the State of New York. The average cost of producing this crop of rye on 46 farms in the State of New York was \$2.07 a bushel. This curve shows the number of farms producing rye at different costs. For instance, all of those who produced it at a cost closer to \$2 than to \$1.50 and \$2.50 were grouped at this point. Those who produced it at a cost of \$1.50 were grouped at this point, and so on. This curve shows where the large number of farms come. That line represents the average cost of production. About half of the farms are in this side of the line and half on the other side.

This line here represented 10 per cent above the average cost of production; that is, if the price of this crop of rye were fixed at \$2.28 to the farmer, then the average of these 46 farms would get 10 per cent profit, but 30 per cent of these farms would produce their rye at a loss, and 70 per cent would make some profit or come out even.

We find, in general, that in order to bring in the great body of producers of any agricultural product, to cut off only those who are inefficient and really ought to be in some other business, it is necessary that the price be 30 to 40 per cent above the average cost of production. Such prices stimulated production and do not cut off enough marginal producers to have any marked effect on production.

The CHAIRMAN. You have to do that in order to keep the men below the average in the business and going?

Dr. SPILLMAN. Yes; that is the point exactly. It is necessary to go at least 30 per cent above. With some products it is higher than it is with others.

The CHAIRMAN. If you force out those below the average, your average output per acre would be increased, but the total production would be diminished?

Dr. SPILLMAN. It would be very seriously diminished. A great many sugar factories in the early days had to dismantle and move their factories away because they did not understand that. They had fixed their prices at what appeared to be a decent profit—10 per cent or 12½ per cent above the average cost of production—and yet they were cutting off 30 to 40 per cent of their producers and compelling them to produce sugar beets at a loss.

When we showed one of those men a curve like this, based on over 1,000 sugar-beet farms, he pointed to a point about 35 per cent above the average cost of production and said: "There is where I have got to go with my price to get my acreage." He went home and adjusted his price to 35 per cent above the average cost of production and contracted all the acreage that year that his factory could handle—the first time that he had ever been able to do that. He said he had been committing suicide without knowing it.

I have a table relative to data obtained from farmers as to cost of producing wheat that I desire to place in the record.

The CHAIRMAN. The committee will be glad to print it.



(The table referred to is here printed in full, as follows:)

BLANKS USED IN OBTAINING DATA FROM FARMERS ON COST OF PRODUCING WHEAT.

UNITED STATES DEPARTMENT OF AGRICULTURE.

OFFICE OF FARM MANAGEMENT.

I. Farm organization and practice in wheat farming.

No. \_\_\_\_\_

Date \_\_\_\_\_

State \_\_\_\_\_. County \_\_\_\_\_. Township \_\_\_\_\_.

Operator \_\_\_\_\_. P. O. address \_\_\_\_\_. Location \_\_\_\_\_.

ACRES AND YIELD OF FIELD CROPS.

Crops.	Winter wheat.	Spring wheat.	Barley.	Oats.	Corn.
Acres.....					
Yield 191—.....					
High yield.....					
Low yield.....					
Estimated average yield.....					
Per cent sold.....					
Farm value 191—.....					

	Acres.	Value per acre.
In farm.....		
Cultivation.....		
Pasture.....		
Woods and waste.....		
Owned.....		
Rented for.....		
Wheat.....		
		Share, % _____. Cash, \$ _____.

LIVE STOCK KEPT AND RAISED ON FARM.

Kind of animals.	Work stock.	Other horses.	Colts raised.	Dairy cows.	Other cows.	Calves raised.	Heifers.	Other stock and beef cows.	Ewes.	Lambs raised.	Sows.	Pigs raised.	Poultry.	Chickens raised.	Live stock units.
Number.....															
Value.....															
Cash receipts 191—.....															

NOTES.—Description of soil \_\_\_\_\_. Surface \_\_\_\_\_. Total value of implements \_\_\_\_\_. Dwelling \_\_\_\_\_. Other buildings \_\_\_\_\_. Fences \_\_\_\_\_. Water fixtures \_\_\_\_\_. Drains \_\_\_\_\_. Value of live stock purchased 191—, \_\_\_\_\_. Value of feed purchased 191—, \_\_\_\_\_.

[illegible]

### III. *Labor.*

[illegible][illegible]

## III. Labor—Continued.

## HAULING AND MARKETING.

	Grain machine to granary.	Machine to market.	Granary to market.	Total.	Notes.
Distance hauled.....					
Amount hauled.....					
Crew:					
Number of men.....					
Number of horses.....					
Loads per day.....					
Hours per acre.....					

## IV. Horse-labor charges.

Items of cost.	Quantity per horse.	Price.	Expense per item.
Grain.....	pounds	per cent	
Hay.....	pounds	per cent	
Pasture.....	month	month	
Interest.....		per cent	
Depreciation.....		per cent	
Shoeing.....	times	each	
Miscellaneous.....			
Total expense.....			
Hours per year horse work.....	hours		
Cost per hour.....		cents	

## V. Man-labor charges.

Kind of labor.	Num- ber.	Days em- ployed.	Hours per day.	Cash wages.		Board and prerequisites.		Wage per hour.
				Day.	Month.	Day.	Month.	
Regular month hands.....								
Harvest hands.....								
Threshing hands.....								
General day labor hired.....								
Operator labor.....								
Family labor unpaid.....								
Supervision.....								

## VI. Quantity and price of material per acre.

Item.	Quan- tity per acre.	Price.	Per cent charged to wheat.	Cost per acre.	
Seed.....					
Twine.....					
Commercial fertilizer.....					
Lime.....					
Green manure (include cost of seed fitting and planting).....					
Stable manure.....					
Chemicals.....					
Fuel.....					





VIII. *Summary blank.*

U. S. DEPARTMENT OF AGRICULTURE.

OFFICE OF FARM MANAGEMENT, WASHINGTON, D. C.

Cost of producing wheat:  
 Year ----- Farm No. ----- Value per acre, \$ ----- County -----  
 State ----- Cost per bushel, \$ -----

	Quantity per acre.	Price.	Expense per acre.	Total cost of item per acre.
Man labor.....	.....hours	\$..... per hour	\$.....	\$.....
Fit and sow.....	.....hours	\$..... per hour	.....	.....
Harvest and thrash.....	.....hours	\$..... per hour	.....	.....
Market.....	.....hours	\$..... per hour	.....	.....
Total man labor.....	.....	\$.....	.....	.....
Horse labor.....	.....hours	\$..... per hour	.....	.....
Fit and sow.....	.....hours	\$..... per hour	.....	.....
Harvest and thrash.....	.....hours	\$..... per hour	.....	.....
Market.....	.....hours	\$..... per hour	.....	.....
Total horse labor.....	.....	\$.....	.....	.....
Use of implements.....	\$.....	\$..... per cent	.....	.....
Thrashing charge.....	.....bushel	\$..... per bushel	.....	.....
Seed.....	.....bushel	\$..... per bushel	.....	.....
Twine.....	.....pounds	\$..... per pound	.....	.....
Commercial fertilizers.....	.....pounds	\$..... per pound	.....	.....
Lime.....	.....pounds	\$..... per pound	.....	.....
Stable manure.....	.....loads	\$..... per load	.....	.....
Insurance.....	\$.....	\$..... per cent	.....	.....
Supervision.....	.....hours	\$..... per hour	.....	.....
Overhead.....	\$.....	\$..... per cent	.....	.....
Total of all charges.....	.....	.....	.....	.....
Credits.....	.....	.....	.....	.....
Total net expense <sup>1</sup> .....	.....	.....	.....	.....
Yield.....	.....bushels	.....	.....	.....
Share for rent (rate).....	.....bushels	.....	.....	.....
Balance-share for labor and other operating expenses. <sup>1</sup>	.....bushels	.....	.....	.....

<sup>1</sup> NOTE.—Balance-share for labor and other operating expenses divided into total net expense gives cost per bushel.

DR. SPILLMAN. That completes the statement on wheat, unless there are some other questions.

I have some figures here on the cost of producing beef cattle. I will say that these figures on beef cattle extend over a longer time. We have been making a very detailed and careful study of that subject for five years past, and the figures we have are, we believe, worthy of confidence. First, I want to show you the curve for the cost of producing a pound of gain.

People who are not familiar with the beef-feeding industry, of course, are likely to be misled when I say the cost of producing a pound of gain on beef cattle is 18.6 cents a pound for five years past, while the farmers have been selling their beef cattle at very much less than that. That does not necessarily mean that the farmers have been losing money. If a farmer buys a steer weighing 800 pounds at 12 cents a pound and sells it at 14 cents a pound later, he gets a profit of 2 cents a pound on that first 800 pounds. That is what makes the beef-cattle business possible; it would not be possible if it were not for what is called the feeding margin, which applies to the original carcass of the animal. It is supposed to balance up the loss which the farmer practically always makes on the cost of putting on gain, but it does not always do so, by any means.

The CHAIRMAN. However, he has to put on the gain in order to sell the other?

Dr. SPILLMAN. Yes; that is the point. He has to put on the gain in order to get that extra 2 cents on his first cost. That is the whole feeding game—to buy a carcass at a cheap price and convert it into something worth more per pound and make something on the original carcass. You lose money on the meat you put on; you usually lose a great deal, just about enough to balance up the account.

Here [exhibiting a chart] is the average cost of putting on gain on beef cattle—18.6 cents a pound. The height of this curve at each point represents the number of farmers who produced it at that price. There are 227 farmers in all represented here. You will notice that if you go 10 per cent above the cost, to a price of 20½ cents a pound, you let the average of these farmers make 10 per cent profit, though about 30 per cent of them would still be losing money. But if you come out here [indicating on the chart] and cut off only these fellows that are producing beef at entirely too great a cost and who ought to be out of the business, you have to go about 35 per cent above the average cost of production in order to maintain your production at an adequate level in competition with anything else that happens to be profitable.

Senator WADSWORTH. What breed of cattle do you standardize those costs on?

Dr. SPILLMAN. Those records are based on Shorthorns, Aberdeen-Angus, and Herefords.

Senator WADSWORTH. Averaging them together?

Dr. SPILLMAN. Yes.

Senator WADSWORTH. The cost would be more if you included Holsteins, would it not?

Dr. SPILLMAN. Yes; it would be.

Senator WADSWORTH. And Jerseys?

Dr. SPILLMAN. Yes. The main difficulty with Holsteins and Jerseys is that even when you put on the extra weight you do not get the extra money for them.

Senator WADSWORTH. There is a reason.

Dr. SPILLMAN. Yes; that is the reason. It is because the fat is not put in the right place. When a real beef animal gets fat you will find little strips of fat between the strips of lean meat. That is what gives the lean meat its flavor. When an animal of a strictly dairy breed, like the Holstein or Jersey, get fat the fat is largely on the entrails, around the kidneys, around the liver, and around the heart; it is not distributed in the lean meat to any considerable extent. For that reason the lean meat will not sell for as much as the lean meat from a regular beef animal.

The CHAIRMAN. It is too lean?

Dr. SPILLMAN. It is too lean; that is the trouble. Here are some figures. We have so many figures on beef cattle that I have not had time to marshal them in anything like adequate shape.

The CHAIRMAN. I would be very glad if you would insert those figures before the last edition of your statement is published.

Dr. SPILLMAN. I will insert them when you send me the records to correct.

The figures in the following table have already been published by the department in report 111, office of the Secretary. They relate to the cost of beef calves in the years 1914 and 1915.



*Cost of producing calves 6 to 8 months old in Illinois, Indiana, Minnesota, Iowa, Missouri, South Dakota, Nebraska, and Kansas.*

Group.	1914	1915	Group.	1914	1915
Beef.....	\$38.42	\$37.01	Partial milking.....	\$28.25	\$23.76
Baby beef.....	37.74	36.21	Double nursing.....	29.11	13.58
Mixed.....	34.06	27.64	Dual purpose.....	30.97	16.13

We find a great variety of costs, depending on the manner of handling the cows and their calves. In one group, where the cows were not milked at all—just handled as a beef-raising proposition—the cost in 1914 of a beef calf 8 months old was \$38.42. That is the average for a large number in Illinois, Minnesota, Iowa, Missouri, South Dakota, Nebraska, and Kansas. The next year it was \$37.01. The cost was a little less in 1915 than it was in 1914.

There was another group which were handled somewhat different. The calf was fed heavily as soon as it was weaned and run right on and sold as baby beef. Of course, his cost at weaning time did not differ materially from those I have just given you, and the figures for 1914 were \$37.74, which is 70 cents less than the figures above, and \$36.21 for 1915, which is 80 cents less than the group above.

There was a group, called the mixed group, in which some of the cows were milked and their milk was sold to a creamery. That milk was credited, so that the cost of the calf was a little less, and instead of \$38 or \$37 it is \$34.06 for 1914. In 1915 the price of milk raised very materially, and the cost of the calf dropped to \$27.64 in that group; that is simply crediting to the calf the profit on milk sold.

There was another group—partial milking—in which the farmer let the calves suck about half the milk and then he would take the other half. We called that the partial-milking group. The cost of the calf there, after crediting milk that was sold, was \$28.25 the first year and \$23.76 the second year.

There was another group—double-nursing group—in which the farmer would milk his best cows and transfer their calves to other cows, so that he would let one cow nurse two calves and milk his other cow and sell the milk. In this group the cost in 1914 was \$29.11 and the next year, when the price of milk raised, it was \$13.58. That is all that calf cost at weaning time. These calves weighed at weaning time from 300 to 450 pounds each.

Mr. LASATER. In making that statement, Dr. Spillman, are you not crediting to beef production all the products the farmer gets out of dairy production?

Dr. SPILLMAN. Absolutely.

Mr. LASATER. Then you could not feed this country on beef by those methods?

Dr. SPILLMAN. I was just coming to that. I was going to make that same statement that Mr. Lasater has made. He is absolutely right about it. There is one group known as the dual-purpose group. They are beef cows, but the calves are weaned and the cows are milked and their milk sold. In these figures here that milk is credited to the calf. In that group the first year the cost was \$31 and the second year \$16.

These methods here transfer all the profit on the milk and credit it to the calf, and that is what makes those calves appear to be

cheaper. I merely want to state that they are not cheaper, but there is some difficulty in dividing whatever profit there is in the operation—in fact, it is a profit in one case and a loss in the other—in dividing that between these two items. How much of the profit may be placed to the milk, and how much to the calf? The calf is given all of it here, and it is not fair, because, as Mr. Lasater says, the people of this country are not fed on beef produced in that way at this time.

So far as the prices here are concerned, the price of milk raised in 1915, but the price of cattle and of feed had not risen so much at that time, very little in fact. They did rise in 1916-17, however.

Mr. LASATER. May I not ask if labor conditions do not make your dual purpose group practically impossible under present conditions?

Dr. SPILLMAN. Almost. A great many dairy farmers are going out of business because they can not get labor and a great many others are putting in milking machines.

Mr. LASATER. The point I was trying to make is that there is such a small profit in that kind of dairying under present conditions that it is practically eliminated?

Dr. SPILLMAN. Oh, yes. And, so far as that is concerned, that style of dairying does not supply the country with dairy products at all.

The CHAIRMAN. A number of dairies have been closed in the vicinity of Muskogee this summer for some reason.

Dr. SPILLMAN. And it is so all over the country, because of labor difficulties, feed difficulties, and price difficulties.

Here are some figures from 188 farms in Nebraska, Iowa, and Missouri, for the fattening of beef animals during the years 1916 and 1917.

*Fattening beef animals on corn-belt farms, 1916-17.*

[Survey method; 188 farms; 9,541 2-year olds, 1,530 yearlings, 1,135 baby beefs Nebraska, Iowa, and Missouri.]

	2-year-olds.	Yearlings.	Baby beefs.	Baby beefs, 1914-1916.
Initial cost.....	\$71.94	\$51.13	\$37.78	\$36.84
Feed.....	56.73	56.05	50.45	36.47
Labor.....	3.27	3.05	3.14	2.85
Equipment.....	2.35	2.76	2.16	.87
Interest.....	3.48	3.26	2.53	2.22
Miscellaneous.....	1.10	1.38	.83	.47
Marketing.....	2.30	1.86	2.15	2.05
Gross cost.....	141.17	119.49	99.04	81.77
Credits:				
Pork.....	9.70	10.48	6.41	2.75
Manure.....	1.44	2.15	1.26	6.21
Total.....	11.14	12.63	7.67	7.96
Net cost.....	\$130.03	\$106.86	\$91.37	\$73.81
Final weight.....pounds.	1,231	1,037	798	829
Days fed.....	184	218	212	27-8
Daily gain.....pounds.	1.59	1.6	1.6	
Profit per head.....	\$12.32	\$8.63	\$2.05	\$2.20
Necessary margin.....	\$2.89	\$2.91	\$3.08	
Margin obtained.....	\$3.89	\$3.74	\$3.33	
Cost per pound of gain.....cents.	19.8	16.1	15.4	

<sup>1</sup> This column is for animals included in an earlier study. The figure \$36.84 in this case represents cost of raising the calves; the corresponding figures in the other columns represent purchase price on the market.

Months.

Seventy-one farms made profit; 55 farms lost money.

The figures include 9,541 2-year-old steers, 1,530 yearlings, and 1,135 baby beeves. The gross cost for a 2-year-old steer that year was \$141.17 on that group of 188 farms. It should be stated that much of the feed used by these cattle was purchased in the fall of 1916, when feed was much cheaper than it is now. There were credits for pork following the steers, and there, again, whatever is made on that pork is all credited to the steer, which is not fair, but it is a little difficult to divide the profit, because it is so often a loss, or is a profit on one part and a loss on the other. Each steer there is credited with \$9.70 worth of pork produced from his manure, and he is credited for manure \$1.44 on a feed of 184 days. The net cost per 2-year-old steer at the market was \$130.03.

The net cost of yearling steers on these same farms was \$106.86.

The CHAIRMAN (interposing). That is, on the 2-year-olds?

Dr. SPILLMAN. The first I gave was on the 2-year-old steer.

The CHAIRMAN. The average weight—you have not given that?

Dr. SPILLMAN. I have not given that. It was 1,231 pounds for the 2-year-olds, and the days fed 184; the average daily gain, 1.6 pounds; and the cost per pound of gain on those 9 000 steers was 19.8 cents.

It should be noted here that the average feeding margin on these 9,000 steers was \$3.89. This is a very unusual margin. The average margin for the preceding 10 years was \$2. During the feeding season of 1917-18 the margin was again very low and feeders generally lost money. It is to be noted also that the cost of the thin steers constitutes 51 per cent of the total cost of the fat steer.

For the year-old steers—there were 1,530 of these—the average net cost per steer was \$106.86; the final weight at market was 1,037, days on feed 218, gain per day 1.6 pounds, cost of a pound of gain on these yearling steers 16.1 cents, as compared with 19.8 cents for the 2-year-olds.

Here are the baby beeves on these same farms: Net cost at the market, \$91.37; that is what the farmer had to get at the market in order to come out even; weight, fat, 798 pounds; day on feed, 212; daily gain, 1.6; cost per pound of gain, 15.4 cents.

The CHAIRMAN. What is the point of distinction between the yearling steers and the baby beeves?

Dr. SPILLMAN. The yearling steer—the farmer buys the steer when 1 year old, in thin condition, and then gradually puts him on full feed. In about three months the steer is fed about all he is capable of digesting, after which he is fed all he will eat for a period of about three months, at which time he is sold.

In the case of the baby beef, just as soon as the calf is old enough to eat a little grain he is encouraged to eat some grain and nice juicy hay while yet nursing his dam. In that way he is made to eat every ounce that he can digest every minute of his life.

The CHAIRMAN. He pushes him all the way?

Dr. SPILLMAN. He pushes him all the way until he is about 20 months old, or sometimes 14 or 16 months and sometimes 22 months, which is about the limit. So, you see, one is pushed all his life and the other is pushed the last six months, and thus the one which is pushed all his life makes his gain somewhat earlier in life and costs a little less.



Here is one fundamental principle we find in all feeding operations: The younger the animal, the cheaper the gain.

The CHAIRMAN. The younger animal gets the benefit of the growing period?

Dr. SPILLMAN. Yes; and then after he gets through his growing period, growth means taking on fat, and it takes nearly twice as much feed to put on a pound of fat as it does to make a pound of bone and muscle.

The CHAIRMAN. On that point, I was reading some time ago the report of the Royal Commission on this very subject, and I remember they said the feed which you give an animal between 18 months and 30 months old would yield more gain in weight if fed to a younger animal.

Dr. SPILLMAN. Oh, yes; that is true.

The CHAIRMAN. And that there was really an economic waste in carrying the 30 months old, as compared to the 18 months, that you had the best profit below 18 months. That corresponds with your idea?

Dr. SPILLMAN. That is true, and our department has been recommending the farmers to fatten their beef at an early age and to turn them in not quite so fat. Here is another thing: Even if you leave out of consideration the fact that the younger the animal the more gain he will make with a given amount of feed, the fatter the animal at the same age the less gain he will make on a given amount of feed, because the fatter he gets the larger the proportion of his feed that makes fat, and it takes more feed to make a pound of fat than it does of bone or muscle.

As I explained a while ago, the farmer practically always sells his steer for less per pound than it costs him to put on the gain. It used to be a common practice in Nebraska and Kansas, when cattle were selling at 8 cents a pound fat, for a drover to hire a farmer to put fat on steers and pay him 10 cents a pound, when he knew he was only going to get 8 cents. But he had bought these cattle for 6 cents a pound, and he was figuring on selling them at 8 cents a pound, and he was going to take a profit of 2 cents a pound on all the animal weighed before he began feeding him. He would lose 2 cents a pound on the 240 pounds of gain, but he would gain 2 cents on the 800 pounds that he had before he began feeding.

The CHAIRMAN. He paid that 2 cents a pound for advertising and selling purposes?

Dr. SPILLMAN. Yes; that is, his advertising is the fat he puts on that steer. Before the recent rise in prices it was necessary that the farmers make a rise of about 2 cents a pound on the original carcass in order to come out whole in his feeding operations. I may state that in all these figures, Mr. Chairman, we are crediting the steer with all the profit made on pork that is following the steers. That should be remembered, because part of that profit does not belong to the steer; it is credited here because we have no adequate means of dividing this credit.

In the days of the old scale of prices it was necessary that the feeder have a feeding margin; that is, a rise over the price he paid for the original carcass of about 2 cents a pound in order to come out even. We have a great many figures of that kind, and the aver-

age for 15 years past is about 2 cents a pound. It happens that the farmers that were feeding during the winter of 1916-17 bought their steers on a fairly low market and happened to sell on a very high market, so the average margin for that year was higher than it has ever been in the history of the cattle business.

On one group for which we have records it was \$3.87, another \$3.74, another \$3.37; that is, the margin on which they fed that year, 1916-17. This past year, 1917-18, the conditions were reversed. The feeding margin was less and many feeders lost big money. This particular year, 1916-17, the feeders, most of them, made money; for instance, out of 132 feeders in one of these columns, 71 made a profit and only 55 lost money. This past winter those figures will be turned around and changed considerably.

In the year 1914 we made studies of the cost of producing baby beef on 26 farms in the middle Western States. The following figures give a comparison between these animals and the baby-beef animals studied in 1916-17:

	1914	1916-17
Cost of raising calves.....	\$38.27	.....
Inventory value of calves.....	.....	\$37.78
Cost of feed.....	35.11	50.45
Total cost.....	79.58	99.04

It will be observed that the producer of the calf got no more for it in 1916 than he did in 1914, but the cost of feed used in fattening these animals increased 43.7 per cent. It is evident that the producers of the stocker calves that sold for \$37.78 in 1916 lost money on them, in view of the high cost of feed in that year.

Here are some very important figures, as it appears to me. These are figures obtained from ranches in the plains regions—Oklahoma and Texas, mainly.

*Ranch costs—Beef cattle.—Averages for five years, 1913-1917.*

[Wilcox Report.]

RANCHES RAISING BEEF CALVES.

No.	Location.	Cost of beef animal at various ages.		
		8 months.	20 months.	3 years.
1	Oklahoma.....	\$35.05	\$52.18	\$68.20
2	do.....	35.47	55.00	73.77
5	Texas.....	46.97	67.04	89.32
6	do.....	51.15	77.09	101.67
7	do.....	48.41	.....	.....
8	do.....	38.32	56.95	77.06
9	do.....	46.23	65.61	.....
12	Texas, Colorado, Montana, South Dakota, Canada (25,000 cows).....	44.03	62.63	84.58
	Average.....	43.20	62.36	82.43
	Average on basis of 56½ per cent increase in last 2 years (1916-17) over first 3 years (1913-1915).....	35.00	51.00	67.00
		55.00	80.00	105.00

*Ranch costs—Beef cattle.—Averages for five years, 1913-1917—Continued.*

RANCHES BUYING AND FEEDING STEERS 1 YEAR.

No.	Location.	Purchase price.	Cost of keep.	Feed cost.	Gain.	Loss.
3	Oklahoma.....	\$42.17	\$26.33	\$12.18	.....	\$2.64
4	do.....	45.17	30.42	13.21	.....	6.98
11	Central Texas.....	40.06	16.01	2.76	.....	7.97
10	Southern Texas (near border).....	30.22	9.62	1.39	\$13.87	.....

Eight of these ranches make a business of keeping cows and producing calves; some of them also produce 2-year-old steers and some 3-year-olds. On ranch No. 1 the figure for the cost of a calf at weaning time, 8 months, is \$35.05. For a 20-month to 2-year-old steer the cost on this ranch is \$52.18. The figure for a 3-year-old steer is \$68.20. These figures are taken from carefully kept books—the ranchers' bookkeeping records. On some of the ranches a few items are estimated, but in the main the figures on all these ranches are the results of careful bookkeeping. One other very important thing: These figures I am giving you now are averages of five years, commencing with 1913. In 1916-17 the figures are considerably higher. On one of the ranches they average 56½ per cent higher than they do for the three preceding years. These figures include 1912-13, 1913-14, 1914-15, and the high cost of 1915-16 and 1916-17. The costs on this particular ranch are the smallest figures we found on any ranch.

The next ranch (No. 2) is also in Oklahoma. On this ranch an 8-month-old calf cost \$35.47, a 20-month-old steer \$55, and a 3-year-old steer \$73.77.

No. 5 is a Texas ranch: Cost of an 8-month-old calf \$47, of a 20-month-old steer \$67, and of a 3-year-old steer \$89; that is one of the large ranches, producing about 5,000 calves a year, and that record is from carefully kept books.

Another Texas ranch (No. 6): An 8-month-old calf cost \$51, a 21-month-old steer \$77, and a 3-year-old steer \$102.

Another Texas ranch (No. 7): The 8-month-old calf cost \$48.41. This ranch did not produce any older steers.

Another Texas ranch (No. 8): The 8-month-old calf cost \$38.32, the 20-month-old calf \$57, and the 3-year-old steer \$77.

Another Texas ranch (No. 9): The 8-month-old calf cost \$46.23, a 20-month-old steer \$65.61; no 3-year-old steers.

Ranch No. 12 kept 25,000 cows, in the States of Texas, Colorado, Montana, and South Dakota, and in Canada. The cost of a calf at weaning time on this ranch, \$44.03, average for five years; the 20-month-old steer \$62.63, and for the 3-year-old steer \$84.58.

Notice how nearly that big ranch comes to the average of all these figures. The calf on this big ranch costs \$44.03; the average of all is \$43.20; and the other figures are just as close. The average of all the others is practically identical with the average of that big ranch.

The CHAIRMAN. It shows the persistence of averages, does it not?



Dr. SPILLMAN. You see there are enough cattle on that first ranch to make an average. The average of all these figures I have just given you are these: The calves \$43.20, for the 20-month-old steer \$62.36, and for the 3-year-old steer \$82.43.

Now, assuming that cost has increased 56½ per cent in the last five years, those figures would read like this: For the first three years of these figures, \$35, \$51, and \$67; for the last two years, \$55, \$80, and \$105. Those are the figures the farmer must get in order to come out even on the average, and half of the farmers will lose money at those figures.

(A VOICE IN THE AUDIENCE.) How can they build barns and houses when they lose money on steers and raising wheat?

Dr. SPILLMAN. There are several answers to that question. With corn selling at \$1.80 a bushel, the farmer makes some profit out of corn. If he feeds it to a steer and gets \$1.50 for it, he has lost 50 cents, but with the remaining \$1.30 he builds his barn.

Senator FRANCE. I ask you, Prof. Spillman, is it not true that a very large number of the present farmhouses and barns of this country were built by the farmers in the days when agriculture was much more profitable, owing to the fact that the soil fertility had not then so largely been depleted?

Dr. SPILLMAN. Yes; they were built at a time when the soil did not need the attention it does now, and when it did not cost so much per acre to produce crops.

The CHAIRMAN. The farmer computes his time and labor and the time and labor of his family into money, whether it amounts to reasonable wages or not?

Dr. SPILLMAN. I used corn as one illustration. Here is another. A farmer who is managing an \$80,000 farm should certainly value his time at \$1,000 a year. If he gets only \$400 a year he has lost \$600 worth of his time, and yet with that \$400 he builds an addition to his barn.

I have said there were many answers to the question. I have given you two of them.

Mr. LASATER. May I be permitted to ask Dr. Spillman this question? He referred to a study that was made in 1914 or 1915. That same study, I think, shows the net returns to the farmer. I would like Dr. Spillman to state those returns to this committee. I think I have met that report and that it has been issued by the Department of Agriculture.

Dr. SPILLMAN. Yes; we have that.

Mr. LASATER. And it looks to me like it is pertinent here that the committee should understand the returns to the farmer as shown by that report.

Dr. SPILLMAN. I will have to insert that in the record, because I haven't it at my fingers' ends, but it is in my records here.

The CHAIRMAN. You can insert that in your statement.

(The statement referred to was subsequently furnished by Dr. Spillman, and is here printed in full, as follows:)

*Cost and value of beef calves at weaning time.*

[Table 39, report 111, office of the Secretary.]

## CALVES INVENTORIED AT WEANING TIME.

Year.	Number of calves.	Average value.	Average cost of raising.	Gain.	Loss.
1914.....	996	\$31.93	\$35.69	.....	\$3.76
1915.....	555	36.11	33.56	\$2.55	.....
Both years.....	1,551	33.45	34.92	.....	1.47

## CALVES SOLD JANUARY 1 TO JULY 1.

1914.....	206	\$44.35	\$56.09	.....	\$11.74
1915.....	26	49.75	46.25	\$3.50	.....
Both years.....	232	45.16	53.77	.....	8.61

## CALVES INVENTORIED MAY 1 (YEARLINGS).

1914.....	1,692	\$38.17	\$54.69	.....	\$16.52
1915.....	2,725	37.30	51.87	.....	14.57
Both years.....	4,417	37.70	53.16	.....	15.46

*Average 5-year cost and profits in finishing a steer in four corn-belt States, 1912-1917.—Allowance made for pork produced in connection with steers.*

[From records of large feeders.]

	Illinois.	Missouri.	Kansas.	Nebraska.	Average.
Net cost of fat steer.....	\$111.67	\$88.88	\$121.23	\$112.35	\$108.53
Sales price.....	115.21	83.97	127.81	110.52	109.38
Profit.....	3.53	.....	6.58	.....	.85
Loss.....	.....	4.91	.....	1.83	.....
Margin.....	2.16	1.32	2.50	2.02	2.00
Necessary margin.....	1.87	1.79	2.01	2.17	1.96

*Cost of producing baby beef on 67 farms in Illinois, Iowa, Missouri, Nebraska, and Kansas.*

[See report 111, office of the Secretary, p. 64.]

Year.	Net cost of animal.	Net selling price.	Gain.	Loss.
1914.....	\$71.61	\$70.19	.....	\$1.42
1915.....	69.82	72.00	\$2.18	.....
Average.....	70.52	71.30	.78	.....

Dr. SPILLMAN. Referring again to the western ranches: There were four ranches that bought steers and fed them, two in Oklahoma and two in Texas. The first of these (No. 3) paid \$42.17 apiece for its steers and it cost \$26.33 a head to keep them a year. Of that cost, \$12.18 was for feed. They lost \$2.64 a head on their steers.

Another Oklahoma ranch (No. 4) produces figures about the same; the loss on this ranch was \$7 per steer. These are five-year averages.

At a ranch in central Texas (No. 11) the figures are slightly different. They paid \$40 for their steers and they spent only \$16 in keeping them a year. The feed cost was only \$2.76 a year, because they are farther south and they run their cattle on the range nearly the year around. They lost about \$8 a head on the average for the five-year period.

Ranch No. 10 is a very interesting case. If we could get all of our beef from ranches like this, we could have cheap beef. This ranch is located at the southern border of Texas. The owner buys Mexican cattle for a song, and frequently the Mexican plays the song on his mandolin. Then he pastures these cattle in southern Texas, where his total yearly expense for feed was \$1.39 per head. He buys his steers at \$30.22. This is a five-year average. His total expense of keeping a steer is \$9.62 a year, of which feed is \$1.39. He made an average profit of \$13.87 a head.

The CHAIRMAN. That must be the beef which the Willard uses. [Laughter.]

Dr. SPILLMAN. I could not tell you who eats that beef, Senator. I have other figures here, but the tenor is the same.

The CHAIRMAN. Any of those figures that you think are material and shed additional light on the subject you may add to your statement.

Dr. SPILLMAN. I will do that, Senator.

(The statements referred to by Dr. Spillman during his statement above have been inserted at appropriate places in the foregoing text.)

The CHAIRMAN. If that is all upon the subjects in hand, the committee will now consider other matters before it.

(The committee thereupon proceeded to the consideration of other business.)



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# FOOD PRODUCTION ACT, 1919

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## HEARING

BEFORE THE

### COMMITTEE ON AGRICULTURE AND FORESTRY UNITED STATES SENATE

SIXTY-FIFTH CONGRESS

SECOND SESSION

ON

Be/

### WHEAT AND BEEF CATTLE

THURSDAY, SEPTEMBER 5, 1918

Printed for the use of the Committee on Agriculture and Forestry

### PART 3



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**Mr. GEORGE W. NORRIS**.

**Mr. JOSEPH I. FRANCE**.

# FOOD PRODUCTION ACT, 1919.

THURSDAY, SEPTEMBER 5, 1918.

UNITED STATES SENATE,  
SUBCOMMITTEE ON AGRICULTURE AND FORESTRY,  
*Washington, D. C.*

The subcommittee met, pursuant to call, at 11 o'clock a. m., in the committee room, 326 Senate Office Building, Senator Thomas P. Gore presiding.

Present: Senators Gore (chairman), Norris, and France.

The CHAIRMAN. I have requested some gentlemen to come over from the Department of Agriculture to make statements on the subject of wheat and the cost of producing wheat. They have been kind enough to respond and are present, so we will proceed now to hear them. I want to make their statements a matter of record for use in the future, first hearing Mr. E. H. Thomson.

## STATEMENT OF MR. E. H. THOMSON, ACTING CHIEF, OFFICE OF FARM MANAGEMENT, DEPARTMENT OF AGRICULTURE.

The CHAIRMAN. Mr. Thomson, the members of the committee are very anxious to arrive, if they can, at some basis for determining the cost of producing wheat in the different sections of the country. We had Dr. Spillman here some days ago, and I have been gathering data from independent sources. I have been told that your department has made some study of the subject, and I was wondering if you could not shed a little light on it. It is a matter of general interest, and we want all the information we can get.

Mr. THOMSON. I have just this morning had an opportunity, Mr. Chairman, to look over Prof. Spillman's statement which was made before the committee last week and find that he covered the method of gathering the data. I take it you would like to have me explain as to the details of the data.

The CHAIRMAN. If you have looked over his statement—

Mr. THOMSON. I just looked it over hurriedly this morning.

The CHAIRMAN. I would be glad to have you supplement that in any way that you find yourself in a position to do; and if you confirm or challenge his method of arriving at his conclusions, or his conclusions, I shall be very glad to have you state your position.

Mr. THOMSON. I will say first that the determination of cost of production is very difficult; in fact, there is no absolute cost of production of any farm crop. When we make the statement that it costs, let us say, \$1.75 to produce a bushel of wheat, we mean the cost for the majority of farmers; that is, near that figure.



The CHAIRMAN. Yes, certainly; we have to rely on the law of averages.

Senator NORRIS. That is true of every product, is it not, Mr. Thomson?

Mr. THOMSON. That is true of every product. There are about as many farmers who have costs below the average as there are who have them above the average; and if the selling price of wheat should be at that figure it means that about half of the men are losing money and the other half are making money, as measured from a bookkeeping standpoint on that crop.

The CHAIRMAN. Dr. Spillman, the other day, after laying down the averages in different sections of the country—it varied with the section, of course—remarked, as you have just remarked, that perhaps half the farmers would have a cost of production higher than that and half of them lower. Of course, that is a sort of offhand statement. I wonder whether you have ever checked it up to see how nearly half of them are below and half above, because, of course, it would not follow at all that exactly half of them would be above and half below.

Mr. THOMSON. No; there might be a few individuals who would offset a large number.

The CHAIRMAN. That is the point. Have you checked that up to see how that is?

Mr. THOMSON. Yes. I have here the figures from individual farms—that is, the cost of producing wheat on separate farms—so you could see these variations.

The CHAIRMAN. I have myself received a great many reports from individual farmers within the last two weeks.

Mr. THOMSON. For instance, in the North Central States for the crop year of 1917–18, the wheat harvested in 1918. I find that the cost on individual farms, as obtained by our recent study, varies from \$1.50 per bushel up to \$3.50. The majority of the growers are producing wheat at between \$1.75 and \$2.50. That is the point which you had in mind?

The CHAIRMAN. Yes, sir. Now, did you average those instances?

Mr. THOMSON. Yes; I have that. For the Central States it is \$2.25.

The CHAIRMAN. Did you make any calculation or estimate as to whether the majority of the instances would be above or below \$2.25?

Mr. THOMSON. In order to do that I have prepared a graph [exhibiting same] which shows that there are more men below the average of \$2.25 than there are above.

The CHAIRMAN. That means, then, that more are producing wheat at a loss?

Mr. THOMSON. No. More are producing wheat at less than \$2.25 than above.

The CHAIRMAN. Yes; that is the point.

Mr. THOMSON. That is true, in a measure, of all our cost investigations. We find that the minimum figure at which the majority of growers can produce a crop is much nearer the average cost of all farms than is the maximum cost as found on a few farms.

There are very few growers that obtain an extremely low cost of production; there is a larger number whose costs run away up. More individuals are below the cost than above.

Senator NORRIS. In order to stimulate the production of any article, if you are fixing a price on that article you have to fix it above that average, do you not?

Mr. THOMSON. Most assuredly. In the past our agricultural possibilities have been so large that whenever the price of any farm product was much above the average cost of production it has stimulated the production to such an extent that there was an overproduction and, in consequence, a lowering of price. That was due to our great agricultural possibilities for production.

Senator NORRIS. In your investigations have you not found that this cost is continually increasing, and is it not increasing now at a very rapid rate?

Mr. THOMSON. It is; it is increasing for labor, both for man and horse, for commercial fertilizers, for machinery, for twine, and for all the materials that go into the cost of production.

Senator NORRIS. The cost of \$2.25 in the Central States is the cost of this year?

Mr. THOMSON. Yes; the crop that is being harvested.

Senator NORRIS. And in all probability in 1919 it will be still higher?

Mr. THOMSON. Judging from present indications.

Senator NORRIS. Have you any means of telling how much that increase is going to be, and how much it is in 1918 over 1917?

Mr. THOMSON. No; except as an indication, I find that the per cent increase in 1917-18 over 1914-15—what might be called prewar conditions—ranges in the various areas from about 60 to 85 per cent; that is, the increase this year over prewar conditions was from 60 to 85 per cent.

Senator NORRIS. By the 1917-18 crop do you mean the crop that has just been harvested?

Mr. THOMSON. Yes.

The CHAIRMAN. Is it the crop of 1917 that is from 60 to 80 per cent higher, or the crop of 1918?

Mr. THOMSON. The crop of 1918.

The CHAIRMAN. And you have not made a comparison between 1918 and 1917?

Mr. THOMSON. No.

The CHAIRMAN. Could you compare those, and file with your statement a schedule of the essentials in the production of wheat with the prices for 1917 and the prices for 1918?

Mr. THOMSON. For each year?

The CHAIRMAN. For 1917 and 1918. I was wondering if that would be possible.

Mr. THOMSON. It would be possible in an approximate degree. As I say, it is impossible to arrive at any absolute cost.

The CHAIRMAN. Certainly, that is true.

Mr. THOMSON. Because the cost varies on the same farm in the same year.

The CHAIRMAN. Of course, you have a multitude of instances, and that is why you take the average.

Senator NORRIS. What do you mean by the "Central" States?

Mr. THOMSON. I mean Iowa, northern Missouri, Illinois, Indiana, Ohio, southern Wisconsin, and southern Michigan—the winter-wheat district east of the plains country.

Senator NORRIS. East of the Missouri River?

Mr. THOMSON. Yes; practically east of the Missouri River. I would divide the wheat area into about five districts.

Senator NORRIS. Have you those figures for the district west of the Missouri River—Kansas, Nebraska, and the Dakotas?

Mr. THOMSON. Yes, sir; we have them for all the wheat districts.

Senator NORRIS. Where are they?

Mr. THOMSON. The cost of winter wheat for the Pacific northwest on this same basis for 1917-18 was \$1.27.

In the western plains area, the marginal area between what we might call safe farming in central Kansas and central Nebraska and the dry-land areas, the arid areas of the mountains—by the western plains area I mean western Kansas, western Nebraska, eastern Wyoming, eastern Montana, and western North Dakota. That is a region where there are violent fluctuations in rainfall and in yields. For that western plains area the average cost of production is about \$1.60 a bushel; under prewar conditions it was 92 cents a bushel.

For the central plains area—that is, the large wheat-producing district of central Kansas, northern Oklahoma, and central Nebraska—the average cost of production is \$1.84; under prewar conditions, \$1.12.

In the Central Atlantic States—Maryland, Delaware, Pennsylvania, New York, and Virginia, the average is \$2.23 a bushel.

Then there are the South Central States, Tennessee and Kentucky, where the average is \$2.58 a bushel.

The CHAIRMAN. Can you state here the number of bushels per acre upon which you base these figures?

Mr. THOMSON. Yes. The approximate yield on which these data are based is, for the Pacific Northwest, 25 bushels per acre; for the western plains area, 8 bushels; for the central plains area, 14 bushels; for the North Central States, 16 bushels; for the Central Atlantic, about 15 bushels.

The CHAIRMAN. Have you made any reduction for weather risk in these figures?

Mr. THOMSON. Yes. We have made a reduction in this way. We have found that over a period of 10 years about 10 to 12 per cent of the winter wheat acreage is abandoned. In some years it is as high as 75 per cent, in certain regions, in other years it is much less, but on the whole from 10 to 12 per cent is abandoned. So if we based our cost figures on the acreage harvested we would have no charge in there for that 10 to 12 per cent of acreage abandoned; therefore, we base our preparation figures on plowing, fitting and planting on the basis of acreage planted. In that way we have covered that much of the risk.

Senator NORRIS. How do you arrive at that figure of 8 bushels to the acre for the western plains district? What is your basis for that?

Mr. THOMSON. We have arrived at that through our inquiries of a large number of the best wheat growers in that district. For instance, in western Kansas we have the records from certain farmers who have been there for 10 to 20 years.

Senator NORRIS. And that is supposed to be the average yield?

Mr. THOMSON. That is the average yield. In some years it is practically nothing—2 or 3 bushels.



Senator NORRIS. Taking that as an average, do you mean to say it would cost them only \$1.67 to raise their wheat?

Mr. THOMSON. Yes; taking that as an average.

Senator NORRIS. If they got an average yield of 8 bushels of wheat to the acre and got that much per bushel for it, would they be making money or losing money?

Mr. THOMSON. They would just about be breaking even.

Senator NORRIS. That would be the actual cost?

Mr. THOMSON. Yes.

Senator NORRIS. So that, according to these figures, a man in that western plains district, if he got 8 bushels to the acre and got \$1.67 a bushel for it, would neither lose or gain?

Mr. THOMSON. That is my understanding.

Senator NORRIS. Is it not true that the amount of winter wheat that is abandoned is influenced to a very great extent by the price; and if the price were increased, there would be much less of it abandoned? Can you give us any figures on that point? For instance, if instead of \$1.67 a bushel it were fixed at \$2.50 per bushel, there would not be nearly as much abandoned acreage, would there?

Mr. THOMSON. I think that would depend on the relative prices of wheat and other crops. If that land which was to be abandoned could be used to grow corn, oats, or barley and the farmer thought that he could make more out of it by putting it into corn and plowing up his wheat, I think the relative price of corn and other grains would be a material consideration.

Senator NORRIS. The price of wheat also would be one of the material considerations that he would pass on?

Mr. THOMSON. Absolutely. He would weigh in his own mind whether he could get more out of that land by leaving it in wheat at a given price per bushel, possibly getting a yield of 6 or 8 bushels, or by plowing it and putting it into barley, with a prospect of 25 or 30 bushels. The same is true of all the crops in the Central Plains. One crop competes with another. If corn went to a very high price, it would cut the wheat acreage.

Senator NORRIS. Then, the fixing of any price on any cereal—using wheat as an illustration—below a profitable figure, or tending to be below a profitable figure, would have a tendency to decrease the yield of that article and increase the yield of substitutes?

Mr. THOMSON. It would increase the production of substitutes, yes, just as happened in North Dakota this year to a certain extent.

The CHAIRMAN. What did happen in North Dakota?

Mr. THOMSON. I believe many farmers were influenced to plant a larger acreage to rye and to barley, because both of those crops were considered to be a little surer—not so easily affected by the weather and not so likely to be a total loss. Of course those crops were wheat substitutes from a food-production standpoint.

The CHAIRMAN. You attribute the planting of the barley and the rye to the fact that they were a little safer in case of drought; that is so, is it not?

Mr. THOMSON. Rye, I believe, is considered a safer and more dependable crop than wheat in many parts of the northern States.

The CHAIRMAN. What I mean, though, is, are rye and barley more suitable with respect to drought and in comparison with wheat as a drought-resisting plant?

Mr. THOMSON. To a certain degree.

The CHAIRMAN. Then, if that consideration did influence the farmers to plant rye and barley last year, that same consideration would influence them in any year, would it not?

Mr. THOMSON. No; not in past years, because the price of rye and the price of barley were not as high as compared with the price of wheat.

The CHAIRMAN. That is the point; you have answered my question. Then the fact that rye and barley are better drought-resisting plants than wheat would be a uniform factor influencing them in any year, so that you could not attribute the sowing of a larger acreage of rye and barley last year to that fact when that fact was not peculiar to last year. But there was a factor that was peculiar to last year that the prices of rye and barley were not fixed, and there was a prospect of getting the market price, whatever it might be, whereas there was not that prospect as to wheat. Is not that true?

Mr. THOMSON. That is true, with this thought, I believe: The increased price received for wheat in prewar years was such as to warrant the farmers taking chances on wheat rather than plant rye and barley.

Then here is another point: The whole Western-plains country is becoming more and more diversified. The agriculture there is gradually becoming diversified; more live stock is being brought in; they are not depending so much on wheat as they used to. That is true of all agriculture in this country as it grows older.

The CHAIRMAN. Do you not think that one circumstance that affects the situation in that region is the fact that they have been producing wheat at less than cost for a good many years?

Mr. THOMSON. Yes; and they did not realize that they could grow these other crops so well.

Senator NORRIS. What proportion of the present crop of winter wheat that has just been produced has cost as much as \$2.50 a bushel to produce?

Mr. THOMSON. I can only give you an estimate on that. It is a very small proportion, Senator.

Senator NORRIS. Can you give us the figures on it?

Mr. THOMSON. This is the only information I have: About one-twelfth of the wheat in the United States is grown in the Pacific States, where our data show a low cost, comparatively speaking; two-thirds is produced in the Plains States, and about one-fourth in the Middle West and Eastern States. In the States of Kentucky and Tennessee the cost was near \$2.50.

The CHAIRMAN. Excluding the Pacific Northwest, where they produce a large yield to the acre, a considerable proportion would cost \$2.50, would it not?

Mr. THOMSON. Those farmers who had a low yield by reason of adverse circumstances this particular year, their cost would be high.

Senator NORRIS. That is involved in my question.

Mr. THOMSON. That is involved in any district.

Senator NORRIS. What proportion of the spring wheat this present year has cost \$2.50 a bushel to produce?

Mr. THOMSON. It would just be a wild guess, Senator; one would have to go over the spring-wheat territory and arrive at the yields for each district.

Senator NORRIS. If you exclude the winter wheat in the northwest territory, where they produce one-twelfth of the winter wheat, and take the balance of the country as a whole, what proportion of the wheat has it cost them \$2.50 a bushel to produce?

Mr. THOMSON. I would say offhand a very small proportion.

Senator NORRIS. Would you say a third?

Mr. THOMSON. No; I would not make it nearly that high.

Senator NORRIS. Would you say a fifth?

Mr. THOMSON. I would not make it over 10 per cent. That is just a guess.

Senator NORRIS. That is the actual cost, excluding profit, of course? That is involved in my question.

Mr. THOMSON. Yes; that is the actual cost to the farmer.

The CHAIRMAN. And that is in Kentucky and Tennessee?

Mr. THOMSON. Yes. That is the cost for those farmers who are the most inefficient producers; it is on the small farms—the farms least able to produce wheat.

Senator NORRIS. But if we are going to stimulate production we have to consider those farmers?

Mr. THOMSON. You have to bring all those in.

Senator NORRIS. Assuming that the production increases the coming year as it has increased in the past, what proportion of the winter wheat of the country can be produced at a profit at \$2.20 a bushel?

Mr. THOMSON. You mean for the 1919 crop?

Senator NORRIS. Yes, sir.

The CHAIRMAN. Would you mind my asking him a question preliminary to that?

Senator NORRIS. Certainly not.

The CHAIRMAN. Mr. Thomson, including the Pacific Northwest, where the cost of production is low, what percentage of the crops harvested in 1918 cost as much as \$2.20 on an average? Have you any data showing that?

Mr. THOMSON. No, Senator.

The CHAIRMAN. You could work that out, could you not, and put it in your statement?

Mr. THOMSON. We could make just a wild approximation.

The CHAIRMAN. Well, I think it would be something more than that; I could take your own figures here and work it out myself.

Mr. THOMSON. We could work it out as near as possible with data at hand.

The CHAIRMAN. I wish that you would work out how much of the total wheat crop in the United States, including the Pacific Northwest, where the cost is low, cost as much as \$2.20 to produce in 1918. Then figure out, excluding the Pacific Northwest, how much of the crop for 1918 cost \$2.20 or more to produce. Then please figure out the same thing, including the Pacific Northwest, on the basis of \$2, and excluding the Pacific Northwest on the basis of \$2. I think I could take your figures and work it out myself. Senator Norris's figure would be, I assume, for 1919. I would like to have that based on the same figures.



(The data referred to above was subsequently furnished by Mr. Thomson and is here printed in full, as follows:)

SUPPLEMENTAL STATEMENT REGARDING COST OF PRODUCTION DATA ON 1917-18  
WHEAT CROP.

This year's wheat crop, as estimated by the Department of Agriculture under date of September 1, promises to be 899,000,000 bushels. This is the second largest wheat crop in the history of the country.

Owing to the wide variation in conditions and practices governing the production of wheat, it is desirable to divide the wheat-growing area into at least five districts as follows:

*Atlanta.*—Maine, Vermont, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, and Georgia.

*North central.*—Ohio, Indiana, Illinois, Michigan, Wisconsin, Missouri, Iowa, Arkansas, and the winter-wheat production of Minnesota.

*Plains region.*—North Dakota, South Dakota, Nebraska, Kansas, Texas, Oklahoma, Wyoming, Colorado, New Mexico, and the spring-wheat production of Montana and Minnesota.

*Pacific and northwest.*—Arizona, Utah, Nevada, Idaho, Washington, Oregon, California, and the winter-wheat production of Montana.

*South central.*—Kentucky, Tennessee, Alabama, Mississippi, and Louisiana.

The Great Plains areas and the North Central States are the two most important areas in which over three-fourths of the total wheat crop was grown in 1918.

TABLE NO. 1.—*Estimated cost of 1917-1918 wheat crop, based on total production as given in Sept. 1, report.*

	Pacific and Northwest- ern States.	Great Plains States.	North Central States.	South Central States.	Middle Atlantic States.	United States.
Total production, 1918 (million bushels).....	90,510,000	457,455,000	237,968,000	22,250,000	85,041,000	899,224,000
Per cent of total wheat crop of United States (1918)....	10.0	51.5	26.5	2.5	9.5	100.0
Average yield, 1918.....	16.6	14.2	19.0	11.5	13.2	15.2
Normal yield for region.....	22.0	14.0	16.0	14.0	17.0	14.7
Approximate cost per bushel based on normal yield.....	\$1.30	\$1.75	\$2.25	\$2.58	\$2.23	\$1.87
Approximate cost per bushel based on 1918 yield.....	\$1.60	\$1.75	\$2.05	\$3.00	\$2.75	\$1.93
Estimated per cent of 1918 crop produced at cost of \$2 or less.....	89.0	85.0	66.0	10.0	20.0	72.5
Estimated per cent of 1918 crop produced at cost of \$2.20 or less.....	98.0	95.0	82.0	18.0	33.0	83.2
Estimated per cent of 1918 crop, excluding Pacific Northwest, produced at \$2 or less.....						70.6
Estimated per cent of 1918 crop, excluding Pacific and Northwest, produced at cost of less than \$2.20....						81.5
Estimated cost of 1919 crop <sup>1</sup> .....	\$1.43	\$1.93	\$2.52	\$2.97	\$2.67	\$2.08
Increase (per cent).....	10	10	12	15	20	.....

<sup>1</sup> Impossible to estimate closely.

It is noted from Table No. 1 that the yield as obtained in 1918 in each of these districts is below the normal for the Pacific and Northwest, the South Central and the Atlantic, and above the normal for the North Central States. This fact makes an important difference in approximating the cost of growing wheat in each of the areas, for, as previously shown in the testimony, the cost per bushel is directly dependent upon the yield and this cost may vary widely even on adjoining farms the same year or on the same farm during a series of years.

The data given in Table 1 present, first, the approximate cost per bushel as obtained on the average farm under 1917-18 conditions in each region but as-

suming a normal yield, and, second, the cost as based on the yield obtained in each region for 1918.

The cost per bushel for the Pacific and Northwestern States was largely increased by the low yield obtained from the spring-wheat crop in the State of Washington. In the plains area certain districts were adversely affected by weather conditions and obtained low yields, while in others, the yield was above the normal, so that on the whole the region had about a normal yield. In the North Central States conditions were more favorable, which resulted in a yield of 3 bushels above the normal, hence a lowering of cost in this region. In the South Central and Middle Atlantic conditions were unfavorable and resulted in very high costs.

With reference to the amount of the 1918 crop produced at a cost of \$2 or less, it is difficult to estimate at all closely. Investigations indicate that when the average cost of a crop is obtained, using the farm as a unit, from 70 to 75 per cent of the crop is produced at less than the average figure, and from 55 to 65 per cent of the growers have costs below the average. This is readily explained by the fact that the range between the minimum cost that any grower may obtain and the average for all farmers in the region is much less than the range between the maximum cost that may be found on certain farms and the average of all the growers in the region. Thus, one individual having a very high cost would offset several individuals having moderately low costs. Another influencing factor is that the bulk of the crop is produced on the larger farms and on the more efficient farms, where the cost per unit is less than on the small farms or those less efficiently managed.

It should be noted, therefore, that the approximate cost (an average of all farms) for the 1918 wheat crop is given at \$1.93 per bushel, whereas 72.5 per cent of all the wheat was produced at less than \$2 per bushel; and, further, that 83.2 per cent was produced at \$2.20 or less per bushel. This is largely accounted for by the fact that favorable conditions prevailed in the Great Plains States and the North Central States, the regions where over three-fourths of the total crop was grown, and to the fact that the majority of growers, as heretofore mentioned, have costs less than the average.

Supplemental studies made on a number of farms in selected areas in the important wheat belt confirm the above estimate. For instance, in Garfield County, Okla., 73 per cent of all the wheat grown on a number of farms cost less than \$1.95. Ninety-three per cent cost less than \$2.20 per bushel. Of individual farmers 63 per cent had costs less than \$1.95, while over 90 per cent had costs of \$2.20 or less. It was found that all farmers having costs per bushel of \$1.95 or less obtained yields of 13 or more bushels per acre. All those farmers having costs above \$2.20 per bushel obtained yields of 11 bushels or less per acre.

Another study in Barton County, Kans., yielded the same conclusion. Seventy-eight and three-tenths per cent of all the wheat grown on a number of farms was produced at less than \$1.95. Eighty-nine per cent of the wheat was produced at less than \$2.20. Sixty-five per cent of the farmers had costs below \$1.95 and 83 per cent had costs of \$2.20 or less. All growers having a cost of \$1.95 or less obtained a yield of 12 bushels or more. All growers who had costs above \$2.20 obtained yields of 10 bushels or less. The variation in the costs found on the farms in Barton County, Kans., was from \$1.20 per bushel up to \$4.36 per bushel.

Another instance was in Adams County, Nebr., where 82.8 per cent of the wheat was grown at a cost below \$1.95 and no farmers were found who had costs above \$2.20.

Another study, in Thomas County, Kans., situated in the western margin of the plains area, shows that 85 per cent of the wheat produced on the farms studied cost less than \$1.95. Three farmers had costs exceeding \$2.50 per bushel. Each of these men had a yield of 4 bushels per acre.

These data only serve to further indicate that there is no such figure as absolute cost of production for wheat or any other farm crop, and that the yield is the chief factor in determining the cost per unit, which factor is largely governed by weather conditions, at least in the case of the wheat crop.

It is impossible to give even an approximate cost for the 1919 crop due to the many varying conditions as to labor and other items, the cost of which can not be determined until the crop is nearly harvested. An approximation is given in the last line of Table No. 1, showing an increase in the cost per bushel of \$0.21 or \$0.15 above the 1918 cost, which increase is based on the assumption of normal yields for each of the districts outlined and a production as indicated in

the last five-year average for each of these regions. The percentage increase in cost is indicated from 10 to 20, the higher costs being assigned to the South Central and Middle Atlantic States.

Mr. THOMSON. Senator Norris, the working out of this data which the chairman has just asked for would give a basis for an answer to your question.

Senator NORRIS. All right; you can answer it then if you want to. I will ask you another question or two about that.

This cost you mention is the cost to the farmer who produces the wheat?

Mr. THOMSON. Yes, sir.

Senator NORRIS. And the price is what he receives at the elevator?

Mr. THOMSON. Yes, sir. The cost to the farmer that I have been talking about is the cost on board cars or at the elevator.

Senator NORRIS. Fixing the price at \$2.20 at Chicago and basing all the other markets on that would mean that the money the farmer in the Central West and plains country would get for his wheat would be \$2 net, would it not?

Mr. THOMSON. I believe that in the recent proclamation by the President fixing the 1919 price the variation or differential was from \$2 in the extreme Northwest to \$2.38 in New York.

Senator NORRIS. I just talked this morning with a wheat producer from western Nebraska who has already sold his wheat at \$2.28 a bushel, the price being fixed, and he got at the elevator an average of \$1.90 a bushel.

The CHAIRMAN. The prices suggested by Mr. Thomson as having been announced in the President's proclamation, \$2 up to \$2.38, are the prices fixed in the principal interior primary markets.

Senator NORRIS. I understand that.

The CHAIRMAN. That would mean Spokane, Pocatello, Salt Lake, and Great Falls, Mont., on the \$2 basis. Now, the farmers in their vicinity would get \$2, less the freight.

Senator NORRIS. That is the point. That is what I want to bring out.

Mr. THOMSON. That would be true of your Nebraska farmer.

Senator NORRIS. That would be true of the Kansas farmer, and it would be true, in fact, of every farmer, the price depending somewhat on the distance at which he has to market his wheat from the primary market.

Mr. THOMSON. And on the grade of his wheat.

Senator NORRIS. Yes, sir. A grade of No. 1 would mean a less price even at the primary market for the greater bulk of the wheat that is sold there, would it not?

Mr. THOMSON. Naturally so, because the farms are off on side lines—

Senator NORRIS. No; I am speaking of the grade. For instance if the price is \$2.20 at Chicago, and if a man raises his wheat right within sight of the city he would not, as a matter of fact, for wheat produced there, get \$2.20, would he? Because he does not produce No. 1 wheat.

Mr. THOMSON. No; he does not produce No. 1 wheat.

Senator NORRIS. There is not any such thing as No. 1 grade in the Central West, is there?



Mr. THOMSON. I believe not. I am not an expert on wheat grades, but I believe that No. 1 grade is mostly grown in the other districts.

Senator NORRIS. Now, then, I would like to call your attention to the fact that these figures you are giving are what the farmer gets. The price that I am asking you about is a price fixed by the President at the interior primary markets. Now, I want to know this: If the price is fixed as it is now for the 1919 crop in the winter wheat belt, through Kansas, Oklahoma, Nebraska, and Iowa, taking into consideration that the price is on No. 1, and that the farmers do not produce No. 1, and they all have to pay freight, what would be the average price that the farmer would actually get on the basis of the price fixed by the President in his proclamation?

Mr. THOMSON. There ought to be information obtainable that would show just what the farmer received this year at these interior points.

Senator NORRIS. But it is not at interior points.

Mr. THOMSON. By "interior points" I mean out in the small rural districts, where there is extra transportation.

Senator NORRIS. Yes. Is it not true, now, that when the price has been fixed as it has been fixed by the President, the farmer actually gets from 10 to 20 cents less than that fixed price?

Mr. THOMSON. Yes.

Senator NORRIS. Taking into consideration the grade and the freight?

Mr. THOMSON. Taking into consideration the grade and the freight.

Senator NORRIS. What proportion of the present crop of winter wheat in that district that you designate as the central plains—Nebraska, Kansas, and Oklahoma—was produced by the farmer at such a cost that he could make a profit on it in selling it for \$1.90 a bushel?

Mr. THOMSON. That is practically the same question you asked me before, with the exception of the difference between \$2.20 and \$1.90.

Senator NORRIS. Yes. I am assuming in this question that the farmer gets about \$1.90 for his wheat.

Mr. THOMSON. A much larger number would make a profit at \$2.20 than at \$1.90. That \$1.90 would probably come near the border line of the cost.

Senator NORRIS. The border line of actual cost.

Mr. THOMSON. And cut off some farmers.

The CHAIRMAN. I would like to say this: The price is \$2.20 at Chicago. It is \$2.05 at Oklahoma City. The farmers in Oklahoma have been selling at from \$1.80 to \$1.95, and in Idaho on the same basis last year they sold as low as \$1.65.

Senator NORRIS. Mr. Thomson, can wheat in this section of the country that I am speaking of be produced at a profit, using Chicago as a basis, with the price of No. 1 wheat at \$2.20 a bushel.

Mr. THOMSON. You mean in the central plains area?

Senator NORRIS. Yes.

Mr. THOMSON. In central Kansas and central Nebraska?

Senator NORRIS. Yes; western Oklahoma, western Kansas, and western Nebraska—and eastern, too. Take that whole country. And if it can be produced at a profit, what proportion is produced at a profit?

Mr. THOMSON. I would say, judging from what information we have at hand, with normal conditions—and that is what we have to talk about—the bulk of the wheat would be produced at a profit.

Senator NORRIS. That means then that the wheat could be produced at a profit there at from \$1.85 to \$1.95 a bushel?

Mr. THOMSON. It does; that is, in my opinion.

Senator NORRIS. Was it done this year?

Mr. THOMSON. It was done this year wherever they had a yield of from 8 to 15 bushels. Where they had very low yields, of course they did not make a profit.

Senator NORRIS. If the cost of production should increase 10 or 15 per cent next year, what would happen to those fellows then?

Mr. THOMSON. I believe that the majority of them would still just about break even. Remember this, that the large centers of wheat production in this country correspond with what I would term areas of uncertain farming. I mean by that, districts where they may get a yield of 5 bushels, and they may get a yield of 25 bushels. That is unfortunately true of our wheat production in America, that the bulk of it is produced in those areas where there is a very wide fluctuation. If the Kansas farmer is so fortunate as to have a good year and good rains, he produced wheat at a margin. If he happens to hit one of the dry years, he suffers a loss.

The CHAIRMAN. He has had three dry years now?

Mr. THOMSON. This year he has not.

Senator NORRIS. When were these investigations as to the cost of wheat, rye, live stock, and other things commenced?

Mr. THOMSON. They were commenced last winter or along in the early spring.

Senator NORRIS. Were they not commenced before that?

Mr. THOMSON. Our preliminary work in the Office of Farm Management has been going on for the last 10 years.

Senator NORRIS. Then it was started quite a number of years ago?

Mr. THOMSON. Yes; but the regional application of it is more recent. On the live stock it has been going on for five years.

Senator NORRIS. Under whose orders were these investigations on this subject begun?

Mr. THOMSON. The cost of production has always been a part of the work of the Office of Farm Management. This enlarged study of the cost of production was begun at the request of the Federal Trade Commission.

Senator NORRIS. Were these investigations that you have been making stopped at any time?

Mr. THOMSON. No; I can not say as to that; they were temporarily held up last fall.

Senator NORRIS. Who held them up?

Mr. THOMSON. I could not say that. The Secretary of Agriculture asked that we delay them. They were delayed from along in October until midwinter. Then we took them up and finished them by June 30, or nearly so.

Senator NORRIS. Why were they held up.

Mr. THOMSON. I do not know.

Senator NORRIS. Who approves these investigations after they are made?

The CHAIRMAN. Who approves the reports?

Mr. THOMSON. The reports, so far as we handled them, were sent the Secretary's office to be transmitted.

Senator NORRIS. When were the reports ready and when were they sent?

Mr. THOMSON. The material, except on one or two classes of live stock and on rice, was completed about June 30.

Senator NORRIS. When were they given to the public?

Mr. THOMSON. That was when they were transmitted to the Secretary's office to go to the Federal Trade Commission, on or about June 30—July 3, to be exact.

Senator NORRIS. Were they held up after that?

Mr. THOMSON. I could not say about that, Senator. These reports were prepared as confidential reports to the Federal Trade Commission. The Office of Farm Management considered them such.

Senator NORRIS. Have there been any general instructions given to your bureau in regard to ascertaining the cost of production of the various farm products?

Mr. THOMSON. We have had requests to ascertain the cost of production of the different classes of live stock and crops, which we have done.

Senator NORRIS. Do you know, Mr. Thomson, whether there are any persons in the Department of Agriculture whose salaries are paid by the General Education Board?

Mr. THOMSON. No.

Senator NORRIS. There are none?

Mr. THOMSON. None to my knowledge.

Senator NORRIS. Have you any information on that subject?

Mr. THOMSON. None whatever, sir.

Senator NORRIS. So as to that question you do not know anything about it at all?

Mr. THOMSON. I know nothing about it; no.

Senator NORRIS. You knew there were such persons in the Department of Agriculture some years ago, did you not?

Mr. THOMSON. Nothing more than rumors.

Senator NORRIS. Exactly; all right.

Mr. THOMSON. Not to my own knowledge, and I have been acquainted with the department for eight years.

Senator NORRIS. There could have been a good many and you not know anything about it?

Mr. THOMSON. Yes.

Senator NORRIS. That is something that would not come under your jurisdiction?

Mr. THOMSON. Not at all. I have been engaged entirely on research work in connection with farm management.

The CHAIRMAN. Mr. Thomson, I suppose you know as a matter of general knowledge, as it appears to everybody else, that the farmers this year and last year have been receiving from about \$1.75 to about \$2.10 per bushel for wheat, depending on their proximity to markets?

Mr. THOMSON. Yes.

The CHAIRMAN. Now, in Tennessee and Kentucky it cost them \$2.50 to produce it, on the average?



Mr. THOMSON. Yes.

The CHAIRMAN. That means that it costs some of them more than \$2.50 and some it costs less than \$2.50?

Mr. THOMSON. Yes, sir.

The CHAIRMAN. In the Eastern States here, from Virginia to New York, it costs on the average \$2.23. That is right, is it not?

Mr. THOMSON. That is right.

The CHAIRMAN. That means that some of the farmers are paying more than they should to produce a bushel of wheat, and some are paying less, in this section?

Mr. THOMSON. Yes.

The CHAIRMAN. Considerably more than they receive for the wheat. Now, in the Central States, north of the Missouri from Iowa to Ohio, it costs \$2.25 on the average to produce it this year?

Mr. THOMSON. Yes.

The CHAIRMAN. That means that a good many farmers are paying more than \$2.25 to produce a bushel of wheat in that region this year. They are receiving in that section from \$1.90 to \$2.10. I suppose, per bushel. They are receiving less than the average cost of production.

Now, in eastern Kansas and Nebraska it costs \$1.84 and a fraction. Is that right?

Mr. THOMSON. I believe so.

The CHAIRMAN. It costs a portion of the farmers more than that and a portion less than that. That means, of course, that it is costing a good many farmers more than the average in each of these sections, does it not?

Mr. THOMSON. A great many farmers; yes.

The CHAIRMAN. Do you not think that in a crisis it is indispensable that we keep a man producing at more than the average; that is, we must make it possible for the man who is producing at more than the average to keep going?

Mr. THOMSON. Absolutely, if wheat is his only crop.

The CHAIRMAN. Otherwise, your output per acre would be increased by the man who has a small yield falling out, but the total output of the United States would greatly decrease, would it not?

Mr. THOMSON. Yes.

The CHAIRMAN. So it would not do to fix a price for wheat at the average cost, would it?

Mr. THOMSON. Not unless you are going to consider that nearly half the men are going to practically lose money, if the average cost is a correct cost.

The CHAIRMAN. He will lose the money or turn to producing something else.

Mr. THOMSON. But the same man who lost money this year may make money next year.

Senator NORRIS. But if a man loses money this year is there not a tendency that he will not raise wheat next year, especially if he knows the price is not going to be fixed by the law of supply and demand?

Mr. THOMSON. That is possibly true in some districts; but in the Central States and Eastern States and in Kentucky and Tennessee wheat, like some other farm crops, is not grown purely as a money crop; it is grown in rotation.

The CHAIRMAN. These estimates that you have just submitted are for the crop of 1918, which has just been harvested. The crop of 1918 was 250,000,000 bushels more than the crop of 1917?

Mr. THOMSON. I believe so.

The CHAIRMAN. So the cost of producing the crops of 1917 would have been a great deal more than this year, would it not?

Mr. THOMSON. Naturally; due to the lower yield.

The CHAIRMAN. Although certain things cost more this year than last year, having the low yield——

Mr. THOMSON. Would make the cost per bushel higher in certain districts.

The CHAIRMAN. The total output of this year is above the average?

Mr. THOMSON. Yes; it is above the five-year average, I believe.

The CHAIRMAN. Considerably above it; in fact, it is next to the largest crop we have ever raised, is it not?

Mr. THOMSON. I think so.

The CHAIRMAN. So that, assuming that next year's crop will be an average crop only and not allowing for any increase in the cost of materials and labor, the cost of producing a bushel next year will be higher than this year, will it not?

Mr. THOMSON. Granting that you have an average crop.

The CHAIRMAN. Of course, we have to make our calculations on the average crop, and this crop was much above the average; I think the highest in our history, except in one year. So, in looking to the future and estimating the cost of production, you have to take next year's crop as an average crop; and even if there were no advance in the cost of materials and labor, the average cost per bushel would be more than this year, if next year's crop is only an average crop?

Mr. THOMSON. I believe that naturally follows.

Senator NORRIS. What was the estimated crop for this year?

Mr. THOMSON. I have not that figure.

Senator NORRIS. Do you know how much was expected?

Mr. THOMSON. It was around between 800,000,000 and 900,000,000 bushels.

Senator NORRIS. If this year had been an average crop, instead of away above the average, then the cost per bushel would have been much higher than it actually is?

Mr. THOMSON. It would have been higher for certain districts and lower for others.

Senator NORRIS. If there had been a less yield in any district, it would have made the cost per bushel different?

Mr. THOMSON. Yes. I have not given any one figure as the average cost. Such a figure would be very misleading.

Senator NORRIS. Yes; but, of course, the figures that have been given have been given on a crop that is away above the average.

Mr. THOMSON. No; these figures are given on the basis of a normal yield. I have not taken the cost and divided it into the total yield for any one year.

Senator NORRIS. Then the cost of this year's crop has not been based entirely upon the higher cost of production, has it? It has been based, partially, at least, upon the lower cost of preceding years?

Mr. THOMSON. It is based on the present cost of materials, so far as we are able to arrive at that, and on the yield that the farmers can expect and have received over a long period of years.

The CHAIRMAN. It is not based on the actual yield?

Mr. THOMSON. Not on the actual yield, Senator. In some districts, if we based it on the actual yield—for instance in western North Dakota, some of the farmers had practically no yield, one or two bushels. In other districts, the cost would be a dollar a bushel. When we take the cost as a whole in any study on the cost of production, the cost increases or decreases inversely as the yield.

The CHAIRMAN. That is entirely true, and that is why the per bushel cost this year, taking this whole crop into consideration, would be comparatively low, on account of its being a big crop?

Mr. THOMSON. Yes, sir.

Senator NORRIS. That is the point I wanted to bring out.

Mr. THOMSON. The farmer would have a wider margin.

The CHAIRMAN. In England, I might say, the average is 32 bushels. In France the fixed price is \$3.95 a bushel, in Switzerland, \$2.70.

Mr. THOMSON. The difficulty in this wheat situation, as I see it, is due to the fact that our wheat areas are districts where the farming is on such an up and down basis. That is being overcome gradually. The gentleman who prepared the report for western Kansas and western Nebraska used to be a farmer in that area; he owned a large farm and was a wheat grower. I might also add that all the men who have prepared this cost-of-production work are practical men; they are farmers or have been farmers. The gentleman mentioned was amazed when he went back to certain areas in Kansas this year to find a greater diversification and a greater stability of farming as compared with what he knew 10 years ago.

Senator NORRIS. That is a very good indication for the country generally.

Mr. THOMSON. A very good indication, and it will tend to stabilize production.

Senator NORRIS. Yes; but we are in a situation now, due to the war, where we want to stimulate production, particularly of wheat. We ought to take a course, if we can consistently do so, that would produce more wheat; and in order to produce more wheat we want more acreage.

The CHAIRMAN. Do you know whether these reports you refer to have been sent to the Federal Trade Commission?

Mr. THOMSON. I have no knowledge of that.

The CHAIRMAN. Have you any knowledge of this agricultural advisory committee that was appointed by Secretary Houston and Administrator Hoover?

Mr. THOMSON. None.

The CHAIRMAN. The committee which had a session here August 8, and recommended \$2.46?

Mr. THOMSON. No, Senator. I was out of Washington at that time, on field work.

The CHAIRMAN. \$2.46 in Chicago would be 21 cents above the average cost of producing wheat in that region, would it not?

Mr. THOMSON. Yes; for the Central States.

The CHAIRMAN. And would allow about a 10 per cent profit; whereas the present basis at Chicago is \$2.20, which is 5 cents less than the average cost of producing wheat in that section. That is correct, is it not?



Mr. THOMSON. Yes. I would say that in figuring the profit on any crop or any class of live stock in a diversified-farming section you have to consider the business as a whole. Take the corn belt. Many of the better farmers there are generally agreed that they lose money on growing oats; that is, figured on an out and out cost accounting basis, it is a loss per bushel unless they get a very high yield. Yet they have got to grow oats, and it is probably money in their pockets to do it.

The CHAIRMAN. Just as in the case of a railroad which sometimes has to haul freight at less than the cost of transportation. Even less than the cost of transportation is better than nothing.

Mr. THOMSON. That is it. It is just as it is with the dairymen; it is much better to milk cows in winter even at 10 cents an hour than it is to sit beside the fire.

Senator NORRIS. Have you any figures, or have you made any study of the question so you could express an opinion on it, as to what the selling price of wheat would be this year, for instance, had the price not been arbitrarily fixed by proclamation?

Mr. THOMSON. No, I have no idea, except that there is an old ratio between wheat and corn that has sometimes been used. I have noticed several writers using that ratio.

Senator NORRIS. Had that not been done arbitrarily and had the law of supply and demand been permitted to take its course, is there any question that the price would have been any higher than the price which has been fixed?

Mr. THOMSON. I could not say as to that.

The CHAIRMAN. I think I have in my desk, Senator Norris, a report prepared by an expert connected with the Chicago Board of Trade. He figured out, on the basis of five other grains, taking into account a number of years, on the established historic ratio wheat would have been around \$2.77. That was at the date this report was prepared, which was several months ago. I figured it out myself for a period of 30 years, and for that period of 30 years corn was worth 61 and a fraction per cent as much as wheat.

Senator NORRIS. Do you know, Mr. Thomson, what wheat was selling for at the time the President fixed the price the first time?

Mr. THOMSON. No, not exactly. I am not in that division. I believe the only districts where it was being marketed were in the Southwest at that time.

Senator NORRIS. What was it selling for in Minneapolis?

Mr. THOMSON. I could not say, sir. I have not the figures at hand.

The CHAIRMAN. I think it is safe to say that at the same ratio wheat would have been \$3.06. There was some wheat sold in my State at \$3.05; the farmer got \$3.05. Now, have you any figures on the cost of producing cattle?

Mr. THOMSON. None other than what Dr. Spillman presented to the committee last week.

The CHAIRMAN. Well, it will not be necessary to canvass that same question again. Your conclusions are practically the same?

Mr. THOMSON. Yes. Mr. Cotton prepared that material, and I am sure that he agrees with what Dr. Spillman stated.

The CHAIRMAN. You do not know then whom the committee would have to call on to get a copy of these reports on wheat and cattle?

Mr. THOMSON. No; I do not. All I can say as to that is that these reports were prepared at the request of the Federal Trade Commission—that is, we had considerable material on cost of production—a lot of it has been published. I never had any information as to what it was to be used for, who was to get it, or anything about it. We have finished up the work and transmitted it through the proper channels.

The CHAIRMAN. We are very much obliged to you, Mr. Thomson. We will now hear Mr. J. S. Cotton.

**STATEMENT OF MR. J. S. COTTON, OFFICE OF FARM MANAGEMENT,  
DEPARTMENT OF AGRICULTURE.**

The CHAIRMAN. Mr. Cotton, you have been collaborating with Dr. Spillman in this work?

Mr. COTTON. I have; yes, sir.

The CHAIRMAN. Have you looked over the statement that he made here the other day?

Mr. COTTON. I have just glanced over it this morning, but not carefully.

The CHAIRMAN. Not enough to express any judgment as to whether his conclusions represent what you have arrived at?

Mr. COTTON. No, sir. I should say roughly, however, that they do.

The CHAIRMAN. Can you tell me, Mr. Cotton, where these reports are now, whether they are in the hands of the Secretary of Agriculture or the Federal Trade Commission?

Mr. COTTON. I can not tell you any more than Mr. Thomson can, sir.

Senator NORRIS. I would like to ask Mr. Cotton the same question I asked Mr. Thomson. When were these investigations commenced, Mr. Cotton, if you know?

Mr. COTTON. The investigations of the cost of producing feeder animals in the corn belt were begun in 1914.

Senator NORRIS. Who ordered them and started them?

Mr. COTTON. The original investigation was ordered by the Secretary of Agriculture. He ordered an investigation and appointed a committee, composed of several college men and two department men, to get all the data they could on meat production in general. A wide project was laid out, and it could not be completed, so it was largely confined at that time to beef production, and our particular phase of the work was the cost of producing beef animals, which, because of lack of time, was confined to the corn belt.

Senator NORRIS. You got pretty full data on that, did you?

Mr. COTTON. We have carried it on for a period of four years.

Senator NORRIS. Have you now pretty full data as to the cost of meat production in that section?

Mr. COTTON. I think we have; yes.

Senator NORRIS. Have you that with you?

Mr. COTTON. Yes.

Senator NORRIS. I am in such a hurry now that I will ask you to put it in the record, Mr. Cotton, if you can.

Mr. COTTON. I will do that.

(All available data in Office of Farm Management on cost of beef production was introduced by Dr. Spillman at hearing on August 29, 1918.)

Senator NORRIS. Have you such data in regard to wheat?

Mr. COTTON. I have nothing to do with anything except the live-stock work.

Senator NORRIS. Were these investigations stopped at any time after they had been started?

Mr. COTTON. My investigations have been going right straight through.

Senator NORRIS. They never were stopped?

Mr. COTTON. No.

Senator NORRIS. Never were held up by anybody?

Mr. COTTON. No.

Senator NORRIS. You have been at it continually all the time?

Mr. COTTON. Continually, ever since they were started.

Senator NORRIS. Do you know anything about whether there are any persons now in the Department of Agriculture whose salaries were paid by the General Education Board?

Mr. COTTON. No; I have no knowledge of that.

Senator NORRIS. I think that is all.

The CHAIRMAN. We will now adjourn.

(Thereupon, at 12.05 o'clock p. m., the subcommittee adjourned, subject to the call of the chairman.)



Handy

